

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
[Graniteville, South Carolina]

HEARING # 09-11066

SEPTEMBER 30, 2009

6:00 P.M.

DOCKET NO. 2009-342-WS:

AVONDALE MILLS, INCORPORATED - Review of Rates approved in Order
No. 2009-394.

TRANSCRIPT OF TESTIMONY

AND PROCEEDINGS

VOLUME 1 OF 2

[PUBLIC HEARING]

HEARING BEFORE: Elizabeth B. 'Lib' FLEMING, *CHAIRMAN*,
John E. "Butch" HOWARD, *VICE CHAIRMAN*; and COMMISSIONERS
David A. WRIGHT, G. O'Neal HAMILTON, Swain E. WHITFIELD, and
Randy MITCHELL.

ADVISOR TO COMMISSION: Randall Dong, Esq.

STAFF: Charles L.A. Terreni, Chief Clerk/Administrator; Jocelyn
G. Boyd, Deputy Clerk; James Spearman, Ph.D., Executive Assistant
to Commissioners; Doug Pratt and William O. Richardson, Advisory
Staff; Patty Sands, Executive Administrative Staff; and Jo
Elizabeth M. Wheat, CVR-CM-GNSC, Court Reporter.

APPEARANCES:

SCOTT ELLIOTT, ESQUIRE, representing AVONDALE
MILLS, INC., INTERVENOR

JEFFREY M. NELSON, ESQUIRE, representing THE
OFFICE OF REGULATORY STAFF

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

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P R O C E E D I N G S

CHAIRMAN FLEMING: Good evening. If we could ask everyone to come in and have a seat so that the hearing may begin.

This hearing will now come to order. We are delighted to see so many of you here tonight, and we're looking forward to hearing from all of you. We have some very special guests with us tonight. We have Representative Roland Smith, who is chairman of the Aiken County Legislative Delegation, who will be speaking in a few minutes; Representative Tom Young, who is here; and Senator Shane Massey is here. Also, I understand Sheriff Mike Hunt is here. Glad to have you here. And County Council Chairman Young is here, as well. Yes, good to have all of you here.

And at this time, I think what we'll do is go through the formalities of the evening, and then ask Representative Smith to come up and speak, before we begin the hearing per se.

I'm Lib Fleming, Chairman of the Public Service Commission. And to my right is Commissioner Randy Mitchell --

COMMISSIONER MITCHELL: Thank you.

CHAIRMAN FLEMING: -- and Commissioner Swain

1 Whitfield. And then to my left is Attorney Randall
2 Dong, and then Vice-Chairman Howard, Commissioner
3 David Wright, and Commissioner O'Neal Hamilton.
4 And as I said, we're looking forward to hearing
5 what you have to say.

6 Before we get into the particulars, though,
7 for the hearing process per se, I think we will ask
8 Representative Roland Smith to come forward. He
9 has a few words he wanted to say.

10 **REP. SMITH:** Thank you, Madam Chair. First of
11 all I'd like, on behalf of the members of the Aiken
12 Legislative Delegation, to say thank you for coming
13 again tonight to hear from our constituents.
14 They're very concerned about the issues that the
15 Commission will be dealing with, and not only are
16 they concerned about it; it has directly impacted
17 their lives. Many of them are senior citizens, and
18 many of them are retired on fixed incomes. And so
19 they don't have a way to adjust their revenue up or
20 down. So we want to thank you for this
21 consideration.

22 I also would like to say to some members here,
23 thank you for coming out tonight. You've made a
24 statement by your appearance here tonight. You're
25 going to have an opportunity to speak tonight, and

1 we thank you for that. But I also would like to
2 ask that you, as you're making your remarks, please
3 recognize the fact that other people will hear you
4 making your remarks, so recognize those folks when
5 you're talking, so everybody in the audience can
6 hear what they have to say. We're here together.
7 Most of you are upset over the rate. So am I.
8 Very much so. And we're here tonight at this
9 hearing to see what's going to happen, and provide
10 these folks with information that hopefully will be
11 beneficial to our citizenry.

12 Thank you, Madam Chairman.

13 **CHAIRMAN FLEMING:** Thank you. At this time
14 I'm going to ask Attorney Randall Dong to read the
15 docket, and then to give us a little bit -- go
16 through the process that we will be following
17 tonight.

18 **MR. DONG:** Thank you, Madam Chairman.
19 Chairman Fleming, members of the Commission, this
20 matter is before the Commission by way of Docket
21 No. 2009-342-WS. This is the review of Avondale
22 Mills, Incorporated's rates that were approved in
23 Order No. 2009-394. This public night hearing was
24 scheduled to begin at 6 p.m. tonight, Wednesday,
25 September 30, 2009, before the Commission at Byrd

1 Elementary School.

2 As the Chairman just said, my name is Randall
3 Dong. I'm one of the lawyers on the staff at the
4 Commission. And first, I have a request. If any
5 of you have cell phones or pagers, anything with an
6 audible alarm, if you would please turn them off,
7 that will be very helpful to us.

8 I want to say the Commission -- in addition to
9 the Commissioners and counsel, there are lots of
10 folks here who made the trip from Columbia. The
11 chief clerk of the Commission, Mr. Terreni, is
12 here; Ms. Jocelyn Boyd, the deputy clerk; Dr. Jim
13 Spearman, the chief adviser; Doug Pratt and Bill
14 Richardson, who are technical advisors to the
15 Commission. Jo Wheat, our court reporter, is over
16 here, and if you would, when you all take the
17 microphone, if you would speak into the mike, that
18 would make life a lot easier for Ms. Wheat. And
19 Patty Sands, special assistant, is here.

20 We have here tonight also the lawyers and
21 representatives from the company and from the
22 Office of Regulatory Staff. Mr. Elliott, who
23 represents the company is here, and the ORS here is
24 represented by Mr. Nelson; and Mr. Morgan, who is
25 the head of the Water Department over at ORS, is

1 also here. And you may have an opportunity, if you
2 have specific concerns, to speak to them after the
3 hearing.

4 This is the local public hearing for this
5 docket, and I'm going to have each of you who have
6 asked to testify come up and speak about your views
7 with regard to the water rates that have been
8 approved. And this is a review of those rates, in
9 response to the inquiries that were made by your
10 legislative delegation.

11 Everything you say is going to be in the
12 record. This is going to be a hearing that's going
13 to be much like -- it's going to be just like --
14 under oath, just like it would be if you came to
15 Columbia to the hearing that we're having on the
16 case on October 6th, which is next Tuesday at 10:30
17 a.m. And your questions -- your testimony will be
18 subject to questions or to objections if the
19 lawyers choose to question you or object, so if you
20 would, when you speak, please, you know, give them
21 an opportunity to exercise those rights if they
22 choose.

23 When I call you up, I'm going to ask each of
24 you to please, at the outset, state your name in
25 full, and state your address, what subdivision you

1 live in, and so forth. And I just -- I'm trying to
2 think if I have left anything out here. Oh, I see
3 Ms. Hipp out here, from the Office of Regulatory
4 Staff, also, and Dukes Scott, who is the executive
5 director. I see them back there in the back. It's
6 good to have you here.

7 With that said, I think we'll go ahead and
8 call our first witness.

9 **CHAIRMAN FLEMING:** All right. Before we do
10 that though, I also -- Representative Smith is the
11 spokesperson, I know, for you all tonight. But if
12 either of you would like to make a comment before
13 the hearing -- the speakers come forward, we'd like
14 to hear from you.

15 **SEN. MASSEY:** Madam Chair, I'm Shane Massey.
16 I represent the Graniteville/Vaucluse area in the
17 South Carolina Senate. I just want to say thank
18 you all for coming and allowing these fine people
19 to have a voice, really, to allow them to express
20 their positions.

21 I'm going to defer any comments because I
22 think the comments from the people sitting behind
23 me are going to be much more meaningful than
24 anything that I can say, because they're living
25 through this. Their personal experiences, I think,

1 will be more beneficial to you in your
2 considerations than any words that I could offer.
3 So I appreciate the opportunity, but at this point
4 I would ask to defer any comments.

5 **CHAIRMAN FLEMING:** Representative Young?

6 **REP. YOUNG:** The same as Shane.

7 **CHAIRMAN FLEMING:** All right, very good. And
8 you had a good spokesperson for you, to begin.

9 **MR. DONG:** Before we get started, there's one
10 thing that I did omit from my comments. Because
11 this hearing tonight is like the hearing that we
12 will have on Tuesday, the record is the same -- any
13 comments you make tonight will be in the record,
14 just as any comments you would make on Tuesday
15 would be in the record -- we would ask that if you
16 choose to speak tonight, that that be the only time
17 you enter your testimony into the record, or if you
18 choose to, you may want to not speak tonight and
19 then speak on Tuesday if you plan to attend.
20 That's up to you, but I wanted to make it clear
21 that we expect that we'll only hear from each
22 witness once.

23 **CHAIRMAN FLEMING:** And I believe our first
24 witness tonight will be Sheriff Hunt.

25 [Witness sworn/affirmed]

1 THEREUPON came,

2 M I C H A E L H U N T ,

3 who, having been first duly sworn/affirmed, testified as
4 follows:

5 WITNESS: I'm Michael Hunt. I live at 509
6 Laurel Drive, which is in Gregg Park subdivision.
7 I want to start out by telling you all that we
8 appreciate you all coming to us. This saves our
9 citizens from having to go to Columbia. Some of
10 them could not make it to Columbia, so thank you
11 for coming in and listening to our concerns.

12 If you look at our community and the community
13 this water system serves, we have gone through a
14 lot since about 2003. And I would ask you to take
15 a moment to listen to some points and reasoning on
16 these rates.

17 First of all, our community suffered a
18 devastating train derailment with a catastrophic
19 chlorine leak, in which our friends and neighbors
20 lost some of our friends and neighbors and had a
21 catastrophic loss economically. It hurt some of
22 our small businesses. It hurt some of our families
23 personally. A lot of us -- about probably 5,000 of
24 us -- stayed out of our homes anywhere from about
25 three or four days, to probably as long as six

1 weeks, so that was pretty hard for this community
2 to take. Not long on the heels of that, Avondale
3 shut our mills down. Not a lot of notice.

4 So the textile industry and the mills, as we
5 knew it, came to a halt, which put a lot of folks
6 out of work. As a result of that, there have been
7 people in our community who have lost their homes,
8 their automobiles, and struggle now to make ends
9 meet from one week to another.

10 So we took two major incidents in a very short
11 period of time, and then in July of this year we
12 received an increase that you all approved,
13 unknowingly in one lump sum, on our bill. My bill
14 in May was \$59.17, my bill in June was \$68.29, and
15 my bill in July was \$714.65. So the citizens of
16 our community took a third lick.

17 Now, I want you all to understand that our
18 community has a very large senior citizen
19 population, a lot of who are retired and on a fixed
20 income, and a pretty significant unemployment rate
21 as a result of some of our businesses shutting
22 down. If you look at the mills shutting down, that
23 had an impact not only on the folks that lived
24 there, but our small businesses around us, some of
25 them are just struggling today. So this rate

1 increase which came all at once has hurt a lot of
2 people.

3 Some of those people will not be able to pay
4 these bills. There's just no way. They'll either
5 have to pay -- not pay medicine or a power bill, in
6 order to pay the water bill. And I don't think you
7 all can say that \$714 isn't a pretty significant
8 bill. So I'm asking you today, as a citizen, to
9 reconsider these water rates.

10 Now, none of us in here deny that we have had
11 very low rates -- probably the lowest in the State
12 -- for a very long time. We don't deny that. And
13 none of us deny, I don't think, that we have a
14 failing water system that has to be fixed, and that
15 the consumer is going to have to absorb some of
16 those costs. But I don't think it's fair to say
17 that we should take this kind of increase,
18 especially with the economic situation that we have
19 here and throughout the country, to fix the system,
20 and I don't think we should accept it all in one
21 lump sum.

22 I would respectfully ask the Commission to
23 reconsider this water rate increase. This is a
24 very significant increase. We simply cannot take
25 it, in this community. And if you don't consider

1 changing the increase, we surely can't take it at
2 one time. Now, although we knew an increase was
3 coming, we had no idea it was coming in July at one
4 time. We're asking you to help us and do the fair
5 thing. Thank you.

6 **CHAIRMAN FLEMING:** Just a minute, please.

7 [Applause]

8 **CHAIRMAN FLEMING:** We need you to see if there
9 are any questions from the attorneys or the
10 Commissioners who are here tonight.

11 **WITNESS:** Okay.

12 **MR. ELLIOTT:** Madam Chair, I appreciate the
13 Sheriff coming out tonight, but we have no
14 questions.

15 **CHAIRMAN FLEMING:** All right, very good. And
16 Office of Regulatory staff?

17 **MR. NELSON:** No questions from ORS, Madam
18 Chair.

19 **CHAIRMAN FLEMING:** All right. Commissioners?

20 **COMMISSIONER HAMILTON:** Madam Chair.

21 **CHAIRMAN FLEMING:** Yes, Commissioner Hamilton.

22 **EXAMINATION**

23 **BY COMMISSIONER HAMILTON:**

24 **Q** Sheriff, on your consumption, was it fairly constant for
25 the June, July, and August bills?

1 **A** Well, I have reduced my consumption. And really, that's
2 the fair thing to do, is let folks be able to reduce
3 their consumption. You know, I watered my grass twice a
4 day before I had these bills. If I had known this was
5 coming, I wouldn't have watered my grass twice a day.
6 I've not watered it but one time since. I let the Lord
7 water it.

8 And we've taken other steps to conserve our water
9 usage, and I think that's really what the folks here
10 want, is for you to reconsider the rate, but also give
11 us time to reduce our consumption so we can offset these
12 bills. My bill has dropped significantly since this
13 \$714 bill, but I've been able to take steps to reduce
14 it. You know, when you have a teenager in the house,
15 you have to find ways to consume that water -- conserve
16 that water, because they like to take those 30-minute
17 showers.

18 **COMMISSIONER HAMILTON:** Thank you, Sheriff.

19 **WITNESS:** Thank you. I would -- go ahead,
20 sir.

21 **CHAIRMAN FLEMING:** Commissioner Whitfield.

22 **COMMISSIONER WHITFIELD:** Thank you.

23 **EXAMINATION**

24 **BY COMMISSIONER WHITFIELD:**

25 **Q** Go ahead, Sheriff.

1 **A** I thought you had a question.

2 **Q** I do. I have a little follow-up to what Commissioner
3 Hamilton asked you. You mentioned your May, June, and
4 July bill, and of course the July one being \$714.65. I
5 think you all received those bills on July 31st, and you
6 mentioned just then to Commissioner Hamilton, your bills
7 had gone -- what was your August bill, or the next bill
8 after that, if I could ask you that?

9 **A** And I don't want to lie to you under oath, but I think
10 it was approximately about \$140 to \$150, if I remember
11 right.

12 **COMMISSIONER WHITFIELD:** Thank you, Sheriff.

13 **COMMISSIONER MITCHELL:** I have one.

14 **CHAIRMAN FLEMING:** Okay. Commissioner
15 Mitchell.

16 **EXAMINATION**

17 **BY COMMISSIONER MITCHELL:**

18 **Q** Sheriff, am I correct -- the first notification you had
19 was, when? What date were you notified that your -- of
20 the rates?

21 **A** I know we were --

22 **Q** That you're aware of.

23 **A** -- notified of the rates. I don't know the first date,
24 sir.

25 **Q** You don't know that first date?

1 **A** But I can tell you under oath I did not know I was
2 getting it in one lump sum in July.

3 **COMMISSIONER MITCHELL:** Yes, sir. Okay.
4 Thank you, that's all I had.

5 **CHAIRMAN FLEMING:** Are there any other
6 questions?

7 [No response]

8 **CHAIRMAN FLEMING:** All right. Well, we
9 appreciate your coming forward this evening.

10 **WITNESS:** And I want to let the citizens know
11 I'm not trying to run out on them, but I've got
12 somewhere else to be at 8 o'clock.

13 **CHAIRMAN FLEMING:** All right. We know you're
14 a busy man. Thank you for taking the time to be
15 here this evening.

16 [WHEREUPON, the witness was excused.]

17 **CHAIRMAN FLEMING:** And Attorney Dong, would
18 you call the next witness?

19 **MR. DONG:** The next witness on the list is
20 Cheryl Johnson.

21 [Witness sworn/affirmed]

22 THEREUPON came,

23 **C H E R Y L J O H N S O N ,**
24 who, having been first duly sworn/affirmed, testified as
25 follows:

1 **WITNESS:** My name is Cheryl Johnson, and I
2 live at 101 Laurel Drive in Graniteville. I have
3 lived in Graniteville since 1963. I was employed
4 with Graniteville/Avondale Mills for 33 years. I
5 resigned from the company in March 2006. At that
6 time, I was the office manager of the maintenance
7 department and my duties included processing the
8 monthly water bills and all other water/sewer
9 reports.

10 I knew firsthand that Avondale had been
11 negotiating the sale of the water system since the
12 late 1990s, mainly with Breezy Hill Water & Sewer,
13 and had also for several years been actively
14 gathering information required by the Public
15 Service Commission for a rate increase. A pro
16 forma was even done, but the presentation never
17 made it to the Public Service Commission.

18 Therefore, it troubles me greatly now to hear
19 or to at least have it implied that a rate increase
20 had not been considered or pursued until now.
21 Tonight, I would like to give testimony regarding
22 the fairness of these new rates, fairness of
23 notification, justification of these new rates, and
24 conclude with some general comments.

25 Wanting to compare apples to apples, I

1 contacted the South Carolina Rural Water
2 Association for water rate information for systems
3 in South Carolina that service about the same
4 number of customers as Avondale. They had
5 conducted a survey last year, and there were eight
6 systems that participated which had 501 to 700
7 taps, which is comparable to our system.

8 Unlike our base rates, which are for zero
9 usage, of the eight systems in the survey, all of
10 them had an amount of usage included in their base
11 rates. And that is also true of our local other
12 water systems, Breezy Hill and VPSA. Typically,
13 the amount is 2,000 gallons. Cost of additional
14 gallons used for these eight systems ranged from
15 \$1.40 to \$3.50 per thousand gallons. Using these
16 rates and ours, I compared the cost of the average
17 household usage of 6,000 gallons. And keep in mind
18 this is for water only. Our cost for 6,000 gallons
19 currently is \$35. One system did not provide cost
20 of the additional gallons, so I couldn't use that
21 one in the calculations. So out of the seven
22 systems, only one was comparable to ours. Six of
23 the seven were less than \$30; and in fact, our cost
24 was almost double the cost of three of the systems.
25 It was also noted that several of these systems use

1 an ascending rate structure. In other words, the
2 more water used, the cost per thousand increased,
3 which is also typical of most water systems.

4 Concerning sewer rates, this survey only
5 included base rates for six of the eight systems,
6 and did not include any cost for additional gallons
7 used. But again, all of them had an amount of
8 usage included in their base rates. Using only
9 their base rates for comparison, these were
10 relatively close, but they were all less than ours.

11 This cost comparison for systems comparable in
12 size to ours confirms my original statement I made
13 in May that our new rates are more than other
14 systems. Therefore, I do consider these higher
15 rates to be unfair. I also feel it is unfair, as
16 residential customers, to be charged more per
17 thousand gallons for irrigation water usage, but
18 yet the rates per thousand gallons for the
19 industrial, the commercial, and the apartment
20 complex are the same as our residential rates. Per
21 Avondale's report, these customers use 42 percent
22 of the total gallons used for the year.

23 I also believe that it was unfair that we did
24 not receive an effective-date notification for
25 these new rates.

1 In regards to justification for these new
2 rates, I don't know of any reasonable justification
3 for this magnitude of an increase in water rates.
4 We are currently experiencing the worst recession
5 in this country since the Great Depression. And I
6 know you can't answer any questions, but would you
7 please consider the following as comments: How do
8 you justify a wage increase while other entities,
9 including those on Social Security benefits, are
10 having a wage freeze? Have the approximate 21
11 unmetered areas now been metered? Has the 98
12 million-plus gallons of water loss been corrected,
13 or has the contract for a defined amount of
14 purchased water expired and now the annual cost for
15 purchased water will be reduced? In reference to
16 the "system" -- quote -- not functioning as well as
17 it was designed to handle a larger amount of
18 water/wastewater flow from the mills, our
19 residential water has not come from the Avondale
20 water treatment plant since the mid-2001. The,
21 quote, "system" that was affected by the loss of
22 water flow was the Aiken County Public Service
23 Authority for wastewater treatment.

24 In conclusion, why wasn't a rate increase
25 applied for several years ago? I don't have that

1 answer. I personally feel at that time the
2 increase would have been more affordable, and by
3 now our incomes would have already been adjusted.
4 Please do not make us bear a burden that was
5 delayed by no fault of ours.

6 And I'd like to say thank you for coming
7 again.

8 **CHAIRMAN FLEMING:** Appreciate your testimony.
9 Mr. Elliott.

10 **MR. ELLIOTT:** I appreciate Ms. Johnson coming
11 back out here again tonight, but I have no
12 questions. Thank you.

13 **MR. NELSON:** No questions from ORS, Madam
14 Chair.

15 **CHAIRMAN FLEMING:** All right. Commissioners?

16 **COMMISSIONER MITCHELL:** I have one.

17 **CHAIRMAN FLEMING:** Yes, Commissioner Mitchell.

18 **EXAMINATION**

19 **BY COMMISSIONER MITCHELL:**

20 **Q** Ms. Johnson, you talked about an effective date. Do you
21 recall the first time you were notified of --

22 **A** It was included in our water bill that we've received
23 for the month of July.

24 **COMMISSIONER MITCHELL:** July. Thank you.

25 **CHAIRMAN FLEMING:** Are there any other

1 questions?

2 [No response]

3 **CHAIRMAN FLEMING:** If not, thank you for being
4 here.

5 **WITNESS:** Thank you.

6 [Applause]

7 [WHEREUPON, the witness stood aside.]

8 **MR. DONG:** Wayne Johnson is the next name on
9 the list.

10 [Witness sworn/affirmed]

11 THEREUPON came,

12 **D . W A Y N E J O H N S O N ,**

13 who, having been first duly sworn/affirmed, testified as
14 follows:

15 **WITNESS:** My name is Darrell Wayne Johnson, I
16 live at 519 Trolley Line Road, Graniteville, Gregg
17 Park subdivision.

18 I know probably what I'll say, somebody's
19 already said, so I'll just keep it brief. I
20 understand having a rate increase. It's
21 understandable. We understand. But 700 percent,
22 we don't understand.

23 At the current rate of 700 percent, my water
24 bill for the next year would increase \$1,440. I
25 can't afford that. I'm one of the people they

1 talked about that's on a fixed income. I'm not
2 retired from anywhere. I have no other income
3 other than Social Security. At this rate, over ten
4 years, that will cost me \$14,400 additional to what
5 I have paid. I can't afford it.

6 As was already said, we weren't given notice
7 about the rate increase. Had we been given notice,
8 we could have reduced our water usage and tried to
9 bring our rates down. The very day I got my water
10 bill, I talked with a Graniteville employee. I
11 won't call the name. He told me and two other
12 people that Graniteville, the water department, had
13 notices printed up to go in our water bills for the
14 previous month. They were advised not to put them
15 in there. This is what he told me.

16 About three weeks ago, or about, we had new
17 meters installed. I've been there 23 years, never
18 had a water leak that I know of. My meter is
19 leaking right now, with the new meter, on
20 Avondale's side. And just recently in the Town of
21 Denmark, I seen in the news where they're having a
22 water rate increase of 45 percent, and their rates
23 have changed by 45 percent. We got 700 percent.
24 We can't afford it. I ask you do what you can to
25 help us. Thank you.

1 **CHAIRMAN FLEMING:** Appreciate your being here
2 tonight. Mr. Elliott.

3 **MR. ELLIOTT:** I appreciate Mr. Johnson coming
4 out, but I have no questions.

5 **CHAIRMAN FLEMING:** Mr. Nelson, do you have any
6 questions?

7 **CROSS EXAMINATION**

8 **BY MR. NELSON:**

9 **Q** Mr. Johnson, could you tell me your address again? It's
10 510 --

11 **A** 510 Trolley Line Road.

12 **Q** Trolley Line Road.

13 **A** Graniteville.

14 **MR. NELSON:** Thank you, sir.

15 **CHAIRMAN FLEMING:** Commissioners?
16 Commissioner Wright.

17 **EXAMINATION**

18 **BY COMMISSIONER WRIGHT:**

19 **Q** Good evening. Talk to me about the meter, the leak that
20 you just said? You said you had a new meter -- there
21 was a new meter installed?

22 **A** They come along and put in new meters --

23 **Q** Right.

24 **A** -- about three weeks ago.

25 **Q** About three weeks ago?

1 **A** Yes.

2 **Q** And you say now there's a leak?

3 **A** On the Avondale side.

4 **Q** On the Avondale side.

5 **A** If you open the box right now, you'll see a steady drip.
6 Steady drip. A brand-new meter. My meter hadn't leaked
7 in 23 years, and they put a new meter in and it's
8 leaking.

9 **Q** Have they been notified about that?

10 **A** Not that I know of. They came by and read the meter
11 last week. I assumed they would see it when they read
12 the meter, but they didn't look for it. They just
13 opened the lid, read it, and left.

14 **COMMISSIONER WRIGHT:** Thank you.

15 **CHAIRMAN FLEMING:** Commissioner Mitchell.

16 **EXAMINATION**

17 **BY COMMISSIONER MITCHELL:**

18 **Q** Mr. Johnson, are you aware that meters have been
19 installed in all the Avondale area, or is it just your
20 particular area that new meters have been installed?

21 **A** I heard they were going to replace all of them, but I
22 can't tell you.

23 **Q** You're not aware if they've been installed in all the
24 areas?

25 **A** No, sir.

1 **COMMISSIONER MITCHELL:** Thank you, sir.

2 **CHAIRMAN FLEMING:** Yes, Commissioner Howard.

3 **EXAMINATION**

4 **BY VICE CHAIRMAN HOWARD:**

5 **Q** Mr. Johnson, I do thank you for coming, again. Go to
6 what you said about the Graniteville Water Company that
7 somebody told you about?

8 **A** A Graniteville employee -- the very day I got my bill, I
9 went up Laurel Drive to talk to some of the neighbors.
10 He told me and two other people standing there that they
11 were delaying the previous month's bill, sending it out,
12 because they had notices printed up to go in the water
13 bills. They were advised not to send them out, and they
14 didn't send them out. This was told by a Graniteville
15 employee. If it's a lie, he told it, but I don't think
16 he would've told a lie.

17 **VICE CHAIRMAN HOWARD:** Thank you.

18 **WITNESS:** Yes, sir.

19 **CHAIRMAN FLEMING:** Are there any other
20 questions?

21 [No response]

22 **CHAIRMAN FLEMING:** All right. Thank you, very
23 much.

24 **WITNESS:** Thank you, appreciate it.

25 [Applause]

1 [WHEREUPON, the witness stood aside.]

2 MR. DONG: The next witness is Marlene Lewis.

3 [Witness sworn/affirmed]

4 THEREUPON came,

5 M A R L E N E L E W I S ,

6 who, having been first duly sworn/affirmed, testified as
7 follows:

8 WITNESS: I am Marlene Lewis. My address is
9 158 Trolley Line Road in the Gregg Park
10 subdivision. And Madam Chair and Commissioners,
11 I'd like to thank each of you for coming here
12 tonight, because I work during the day and I know a
13 lot of other people do, and we wouldn't be able to
14 take a day off to come to Columbia, so we're very
15 glad we can be here.

16 I want to say I've written Avondale two
17 letters and I've never received an answer. I've
18 put my phone number on the letter to say you can
19 call me or write me, but they did neither one.
20 I've written a letter to Governor Sanford, I've
21 sent letters to these three representatives. They
22 all wrote me back, or called me, and e-mailed back
23 and forth. And my question is, why should a small
24 mill town community -- and I understand -- I think
25 there's like 500 or 550 people who pay water bills.

1 Why should we pay higher water bills than people in
2 Aiken or North Augusta or Augusta, Warrentonville, et
3 cetera. I think a 700 percent increase is
4 exorbitant, and why should we have to take the
5 burden of repairs that we never -- you know, we
6 have -- not supposed to pay for all these repairs.

7 The charge to reinstall a bill -- to reinstate
8 if you don't pay your bill is a high charge, and
9 I'd like to know what other water companies charge
10 if the water's cut off, what are they going to
11 charge.

12 I am concerned that the community in
13 Graniteville and Vaucluse will deteriorate. Resale
14 values of homes are going to go down. It's
15 possible that Graniteville and Vaucluse may become
16 a ghost town.

17 And I do have one letter I'd like to read, to
18 show you what I sent to Avondale that they
19 neglected to write me: "Dear sirs, I am so sorry
20 that Avondale Mills has decided to overcharge the
21 Graniteville/Vaucluse residents for their water and
22 sewer needs. Senior citizens," actually anyone,
23 "living in this economy can barely make ends meet
24 as it is. And today I received my monthly water
25 and sewer bill from the Graniteville/Vaucluse water

1 and sewer system." This is July 31. And then I
2 type here, "The month of April, our bill for 7,000
3 gallons of water was \$14.71. The month of May, our
4 bill for 10,000 gallons of water was \$18.85. The
5 month of June, our bill for 21,000 gallons of water
6 was \$34.03. Imagine the shock when our bill for
7 the month of July for 12,000 gallons of water was
8 \$146.

9 "I've also written to Senator Lindsey Graham
10 and I've contacted Senator Massey. I'm hoping that
11 Avondale Mills will reconsider their fee scale,"
12 and then I asked them to call me, which they didn't
13 do.

14 I wrote a follow-up letter to Avondale about
15 the next month's bill, which was \$80, because we
16 had decreased our consumption. We no longer have a
17 garden. We no longer water our yard at all. I
18 asked what were they going to do about the monies
19 that we paid that were over and above the price we
20 normally paid, because I understand that Judge
21 Early ruled that this increase was not going to be
22 in effect, but Avondale has been appealing us,
23 going to the State Supreme Court. So, again, they
24 didn't write me back to say if they were going to
25 send me a refund.

1 And that's what I'm wondering, are we going to
2 get refunds? Because we're conscientious and we
3 want to pay our bills, but are we going to continue
4 paying these high bills? And I'm asking the
5 Commissioners here to consider the exorbitant cost
6 of this increase.

7 And again, I thank you for coming tonight.

8 **CHAIRMAN FLEMING:** Thank you, Ms. Lewis. Mr.
9 Elliott?

10 **MR. ELLIOTT:** Thanks to Ms. Lewis for coming
11 out, but I have no questions.

12 **CHAIRMAN FLEMING:** Mr. Nelson?

13 **MR. NELSON:** No questions.

14 **CHAIRMAN FLEMING:** Commissioners?

15 **COMMISSIONER MITCHELL:** I have one.

16 **CHAIRMAN FLEMING:** Yes, Commissioner Mitchell.

17 **EXAMINATION**

18 **BY COMMISSIONER MITCHELL:**

19 **Q** Yes, ma'am. Do you have the dates that you wrote those
20 letters again? Could you provide that to the
21 Commission? And would you also provide a copy of the
22 letter?

23 **A** Uh-huh.

24 **Q** And do you also have the recorded time that you made the
25 phone call? I believe you stated -- or did you call the

1 company with your request?

2 **A** Yes, I called them that day that we got the bill.

3 **Q** Do you have those dates -- could you make those dates
4 available to us?

5 **A** Yes, I can. Could I do it --

6 **Q** I would appreciate --

7 **A** -- in the next couple of days?

8 **Q** -- it, ma'am.

9 **A** I can get my papers together and mail them to you?
10 Would that work?

11 **Q** However we could handle it. I would like for you to
12 supply that, if you could do that for us.

13 **CHAIRMAN FLEMING:** We would enter that --

14 **MR. DONG:** We could enter that as late-filed
15 exhibit.

16 **CHAIRMAN FLEMING:** So we could enter it into
17 the evidence of the case, we'll put it down as
18 Exhibit No. 1.

19 **BY COMMISSIONER MITCHELL:**

20 **Q** Ma'am, we have another hearing coming up, so as soon as
21 you could do that, it would be helpful.

22 **A** Yes.

23 **CHAIRMAN FLEMING:** Are there other questions,
24 Commissioners?

25 **COMMISSIONER WHITFIELD:** Madam Chairman?

1 **CHAIRMAN FLEMING:** Yes, Commissioner
2 Whitfield.

3 **EXAMINATION**

4 **BY COMMISSIONER WHITFIELD:**

5 **Q** I have one. Ms. Lewis, did you say -- I think you said
6 your bill in July was \$146?

7 **A** Yes.

8 **Q** Did you say the next bill you got was \$80?

9 **A** Yes, and that was for a less amount of use. I'm --

10 **Q** Do you know how many gallons that was?

11 **A** I can't remember.

12 **Q** Okay.

13 **A** [Indicating.] 6,000 -- the same amount, I guess. 6,000
14 again, he says. Like we had back in July, same amount.
15 I thought we had lowered our rate. I'll have to look at
16 that.

17 **COMMISSIONER WHITFIELD:** Okay. Thank you, Ms.
18 Lewis.

19 **CHAIRMAN FLEMING:** Are there other questions
20 from Commissioners?

21 [No response]

22 **EXAMINATION**

23 **BY CHAIRMAN FLEMING:**

24 **Q** I would like to ask a question. It sounds like this
25 community does a lot of outdoor watering in the

1 summertime. Are there a lot of gardens and --

2 **A** Yes.

3 **Q** -- grass that's watered?

4 **A** We usually didn't do it. We had just started this year
5 to have a little garden, for the first time. So we
6 watered more.

7 **Q** To save money, I gather?

8 **A** Yeah, we thought so, and we enjoyed the good tomatoes.
9 But, yeah, after the water bill came, we stopped that
10 watering.

11 **Q** All right. So that's the reason for the large increase
12 in the number of gallons of water used in the summer.

13 **A** Well, the price of the number of gallons, because I had
14 high -- more than that before and paid much lower rates.

15 **Q** Right, but I mean, you do increase the number of gallons
16 in the summer, as compared --

17 **A** Yes.

18 **Q** -- to other times.

19 **A** [Nodding head.]

20 **CHAIRMAN FLEMING:** All right. Thank you, very
21 much, for being here tonight.

22 [Applause]

23 [WHEREUPON, the witness stood aside.]

24 **MR. DONG:** Ronnie Bryant?

25 [Witness sworn/affirmed]

1 THEREUPON came,

2 **R O N N I E B R Y A N T ,**

3 who, having been first duly sworn/affirmed, testified as
4 follows:

5 **WITNESS:** My name is Ronnie Bryant. I live at
6 215 Laurel Drive in Graniteville. I've lived in
7 this community 73 years.

8 Enough has been said about the astronomical
9 high rates, price increases. What I'm here for is,
10 I'm from the old school. I believe in paying for
11 what you get.

12 My basic facility charge before was \$3. Now
13 I'm paying \$12 on my outside meter, \$8 on my home
14 meter, \$6 on sewage. I'm paying \$26 a month,
15 before I receive one ounce of water or any
16 services. That's the thing that bugs me. If you
17 look around our society today, you'll find that's
18 pretty prevalent in a lot of places. I know this
19 is probably not part of the water system, but I'm a
20 Gamecock. Eric Hyman, our athletic director, has
21 said that all these rate increases they have on the
22 seats, that he doesn't care whether or not the
23 stadium is filled; all he wants is the money. And
24 it's all over our society today, and I just hate
25 like the devil to pay for services that I don't

1 receive. That's \$26 before I use one ounce. The
2 rates are bad enough.

3 For years and years, I was told by the old
4 Graniteville Company, as I established my home and
5 the lawn of my home, that I was the highest user on
6 the system. Nothing compared to the rates today.

7 That's really all I have to say, because I
8 think Cheryl covered adequately the other things,
9 so I won't go into any more. I wanted to get down
10 to the fact that I hate like the devil paying for
11 stuff I don't receive.

12 One more thing. You know, back when we were
13 growing up, we heard tales about merchants, you
14 know, putting their thumbs on the scales to make
15 things weigh more? I see a lot of thumbs on these
16 scales.

17 [Applause]

18 **WITNESS:** I'm sorry to say that some of them I
19 can identify. Some are Avondale, and the lawyers.
20 And gentlemen and ladies, some of them are your
21 thumbs. Thank you.

22 **CHAIRMAN FLEMING:** Mr. Elliott.

23 **MR. ELLIOTT:** I appreciate Mr. Bryant being
24 here tonight, but I have no questions.

25 **CHAIRMAN FLEMING:** Mr. Nelson.

1 **MR. NELSON:** No questions from ORS, Madam
2 Chair.

3 **CHAIRMAN FLEMING:** Just a minute, Mr. Bryant.

4 **WITNESS:** Oh, okay.

5 **CHAIRMAN FLEMING:** Commissioners?
6 Commissioner Whitfield.

7 **COMMISSIONER WHITFIELD:** Thank you, Madam
8 Chair.

9 **EXAMINATION**

10 **BY COMMISSIONER WHITFIELD:**

11 **Q** Mr. Bryant, if you could, could you share with us what
12 your July bill was?

13 **A** My wife pays all the bills. She's -- what was it?

14 **VOICE:** It was around \$76.

15 **WITNESS:** \$76. I guess that brings up one
16 more thing, talking about that. My outside meter
17 hasn't been working for a while. And I called
18 Avondale two or three times to say, "Listen guys,
19 my outside meter isn't working," and as of this
20 last summer the guy said, "Ronnie, don't worry
21 about it. They're not going to fix it." And
22 that's the reason I haven't said too much about the
23 rates. I feel sort of like I -- I told them, I
24 said, "Listen, I don't mind you giving me water,
25 but I don't want to feel like I'm taking it." And

1 he said, "Don't worry about it. They're not going
2 to fix it."

3 Any other questions?

4 **COMMISSIONER WHITFIELD:** Thank you, Mr.
5 Bryant. That's all I have.

6 **CHAIRMAN FLEMING:** Are there any other
7 questions?

8 [No response]

9 **CHAIRMAN FLEMING:** You may sit down.

10 [Applause]

11 [WHEREUPON, the witness stood aside.]

12 **MR. DONG:** Linda Miller?

13 [Witness sworn/affirmed]

14 THEREUPON came,

15 **L I N D A M I L L E R,**

16 who, having been first duly sworn/affirmed, testified as
17 follows:

18 **WITNESS:** my name is Linda Miller, recently
19 married, Hodges. I live at 18 Green Street,
20 Vaocluse.

21 I prepared this letter August 20th, and I
22 believe Representative Tom Young submitted it as
23 evidence for the October 6th hearing, so I won't be
24 testifying then.

25 "This is in reference to the order and

1 decision handed down June 19, 2009, off the
2 Commission's directive dated August 12, 2009.

3 "As a current customer of Avondale, I do
4 attest the current rate increase and consider it
5 price gouging, and my reasoning is established
6 below." Excuse me. I'm a little nervous.

7 "Meters were rarely read. Now that the rate
8 increase is put into effect, they are being read.
9 I'm at home every day to verify this. Readings are
10 not accurate. Right now, on July's billing, it
11 states I have used 5,000 gallons. The meter was
12 read again on the 18th and shows a reading of 4,000
13 gallons used. I wash an average of three loads of
14 laundry a week, dishes maybe twice a day, and I
15 never water my lawn. There are only two people who
16 reside in my home.

17 "Number two, DHEC violation Avondale was cited
18 for. (A) Consent Order 08-021-DW, February 26,
19 2008, a civil penalty of \$1,020.

20 "Previous orders: 02-037-H, in amount of
21 \$8,000; 06-073-W in the amount of \$7,000.

22 "Violations cited: 24(A) South Carolina Code
23 Annotated Regulation 61-58.7, Supplication 2007,
24 and 61-58.12(b), no boiled-water orders were ever
25 issued if water were ever to be shut off for any

1 reason. "Although privately owned, Avondale,
2 operating under Permit ID No. 024002, clearly falls
3 under the guidelines of South Carolina Code of Laws
4 for safe drinking water and operating a public
5 water system. They also fall under the South
6 Carolina Code of Laws Title 44, Chapter 55, water,
7 sewage, waste disposal, and the like. Article 1,
8 the State Safe Drinking Water Act, Section 44-55-
9 10, citation of article. 'This article may be
10 cited as the State Safe Drinking Water Act.'
11 Section 44-55-30 refers to any PWS; in general, the
12 design and construction must be in accord with
13 modern engineering practices for these
14 installations and properly maintained, this being
15 necessary to protect the health of the public.

16 "Section 44-55-40; any PWS must adequately be
17 protected and maintained so as to provide safe and
18 potable water in sufficient quantity and pressure,
19 which Avondale has failed to do, because there is
20 not enough PSI pressure in fire hydrants to put out
21 any house fire in the Vaocluse area.

22 "According to my research -- and I am a layman
23 at this -- the first water mains put in that served
24 Vaocluse, Graniteville, and Warrentville communities
25 were put in around 1946 and '47. This would make

1 the system, by my count, 63 years old.

2 "Referring to citations found, little has been
3 done to update the system. With all due respect, I
4 think before the Public Service Commission grants
5 hikes of these kinds, they should be made aware of
6 what the consumer is dealing with. Not everyone is
7 versed in law and requirements to fight these kind
8 of people. For all intent and purposes, these are
9 hard-working people who have been economically hit
10 hard along with the train wreck issue and the
11 abandonment of Avondale Mills leaving the
12 community, and now they're wanting to dump their
13 loss on communities who pay their bills and are
14 very close-knit. I feel their losses have not been
15 the consumer's fault, but through outright
16 negligence of their own, in not updating their
17 systems as the law clearly states. This falls to
18 everyone.

19 "As a taxpayer and a voter, I would like to
20 see the Public Service Commission change the way
21 they hand out rate increases without, for the most
22 part, even having open discussion about the other
23 issues involved. After all, they are public
24 servants, are they not? I feel Avondale is trying
25 to recoup monies lost due to their own negligence,

1 and now want the citizens of Vaucluse and
2 Graniteville to tote the load. This is outrageous.
3 Now they're wanting to run yet again. They have
4 still failed to modernize or properly maintain
5 their public water system."

6 **CHAIRMAN FLEMING:** Is that the conclusion of
7 your testimony?

8 **WITNESS:** [Nodding head.]

9 **CHAIRMAN FLEMING:** Okay. You've given
10 Representative Young that information?

11 **WITNESS:** Yes.

12 **CHAIRMAN FLEMING:** If you would like to enter
13 it into the evidence of the case this evening, you
14 certainly may.

15 **WITNESS:** [Nodding head.]

16 **CHAIRMAN FLEMING:** All right, if you would
17 like to do that we'll enter it in as Exhibit No. 2.

18 **WITNESS:** Okay, thank you.

19 **CHAIRMAN FLEMING:** So if you could give a copy
20 of that to Mr. Richardson.

21 **WITNESS:** [Indicating.]

22 **MR. RICHARDSON:** [Indicating.]

23 [WHEREUPON, Hearing Exhibit No. 2 was
24 marked and received in evidence.]

25 **CHAIRMAN FLEMING:** Mr. Elliott?

1 **MR. ELLIOTT:** No, ma'am. I appreciate Ms.
2 Miller being here, but I have no questions.

3 **MR. NELSON:** No questions from ORS. Thank
4 you.

5 **CHAIRMAN FLEMING:** All right. Commissioners?

6 [No response]

7 **EXAMINATION**

8 **BY CHAIRMAN FLEMING:**

9 **Q** If there are no questions, you said that you have a
10 problem with the water pressure?

11 **A** All of our fire hydrants in the communities are colored
12 black, which they hold enough PSI pressure to fill a
13 truck but they do not run enough PSI to even put out a
14 house fire.

15 **Q** But there's no -- the pressure is fine in your home?

16 **A** It just depends on the day. Some days you might get
17 knocked in the head taking a shower, and the other days
18 you've got to run around to get wet.

19 [Laughter]

20 **CHAIRMAN FLEMING:** All right. Well, if there
21 are no other questions, you may sit down.

22 **WITNESS:** Thank you once again for coming.

23 [Applause]

24 [WHEREUPON, the witness stood aside.]

25 **MR. DONG:** Daryl Napier?

1 **MR. NAPIER:** Appreciate the opportunity to be
2 here, but my concerns was addressed by Ms. Johnson
3 here.

4 **MR. DONG:** Thank you,

5 **MR. NAPIER:** Thank you.

6 **MR. DONG:** Michael Harris?

7 [Witness sworn/affirmed]

8 THEREUPON came,

9 **M I C H A E L H A R R I S ,**

10 who, having been first duly sworn/affirmed, testified as
11 follows:

12 **WITNESS:** My name is Michael Harris. I live
13 at 173 Senn Street in Vacluse. I just want to
14 thank you all for coming down to Graniteville
15 tonight to let us air our concerns about the water
16 and sewer system.

17 I just want to say I've lived in Vacluse all
18 my life. And, you know, we all -- ain't nobody in
19 Vacluse whose parents were rich. Not nobody I
20 know. But we received -- I don't know, in May or
21 June we received notice that we were going to have
22 rate increases, but it didn't say how much, so
23 nobody was really prepared for -- I guess we got
24 our bill in July, and the letter in my bill was
25 only -- I think I usually have about \$5 to \$15 a

1 month bill. My bill went to \$47.

2 Well, I wrote a complaint about some of the --
3 my friend, Linda, got me a complaint form to send
4 to the Public Service Commission. Well, I
5 complained about not reading water meters. Well,
6 this past month water bill, I got billed for 15,000
7 gallons, and I live in my home by myself, and I
8 wash clothes -- I wash clothes at my dad's. I just
9 take a bath and all. And they said I used 15,000
10 gallons, which, you know, the meter said that I
11 used it, you know. I don't know if the meter's
12 being read right or not, but I really -- and I got
13 a letter -- you all sent me a letter back
14 concerning this and said the meter did read that.
15 So I sent money -- the other day I paid -- I
16 couldn't pay the whole bill; I had to pay part of
17 the bill.

18 Something nobody has expressed a concern about
19 is our sewer system. We have old sewer systems,
20 and they get -- just this past week, Monday and
21 yesterday -- Monday morning I had to call Avondale.
22 My dad's -- his sewer system gets full of roots,
23 and they have to come up and get the roots out,
24 because your sewage won't go down. And same thing
25 with my friend, Clifton. He had to call Avondale

1 yesterday and they had to come up, and the manhole
2 was half-full of sewage. And they increase our
3 water rates astronomically for sewer and water, but
4 they have made no improvements, and -- we
5 understand we needed some rate increase, because
6 we've been living with, you know, really low -- low
7 bills.

8 But another thing, for about two years we had
9 -- Avondale installed a pump at the south end of
10 Senn Street. Our water pressure would go from like
11 15 or 20 pounds, to 90 pounds of pressure. It
12 would bust -- you bust PVC fittings under a house,
13 that's some major pressure now. It would bust my
14 dad's water fittings and bust them under my house.
15 We had to get under there ourselves and replace
16 tees and elbows where it busted fittings at, you
17 know, and just -- you don't even know you had a
18 leak, because, you know -- but you'd be taking a
19 shower and one minute it'll knock your brains out,
20 and the next minute it's like you could pee harder
21 than that, you know?

22 **VOICE:** Amen.

23 [Laughter]

24 **WITNESS:** Not to be rude, but that's just the
25 fact, you know. But now they have, thank God --

1 they did upgrade the pump. They changed it out.
2 We have steady water pressure now.

3 But my main concern is about the sewer systems
4 and supposedly Valley Public Authority's maybe
5 going to take it over, and you know, upgrade in the
6 future, but I wonder is there some way they could
7 adequately keep these sewer lines flushed out
8 through maintenance. They don't ever do no
9 maintenance on them. Could they do some kind of
10 maintenance to keep them -- without somebody having
11 to call them, could they do some kind of
12 maintenance to keep these lines clean without
13 somebody having to call them?

14 And, you know, I just -- we would accept a
15 fair rate. I don't know what a fair rate would be,
16 but 700 percent is -- we think it's too much. And
17 that's all my testimony.

18 **CHAIRMAN FLEMING:** Thank you, Mr. Harris. Mr.
19 Elliott, do you have any questions?

20 **MR. ELLIOTT:** I appreciate Mr. Harris being
21 here, but I have no questions. Thank you.

22 **CHAIRMAN FLEMING:** All right. Mr. Nelson?

23 **MR. NELSON:** No questions, Madam Chairman.

24 **CHAIRMAN FLEMING:** All right. Commissioners.

25 **COMMISSIONER MITCHELL:** I have one, Madam

1 Chairman.

2 **CHAIRMAN FLEMING:** Commissioner Mitchell.

3 **EXAMINATION**

4 **BY COMMISSIONER MITCHELL:**

5 **Q** Yes, sir, you you mentioned your rate was 15,000
6 gallons. What month was that?

7 **A** That was for August. That -- I didn't check my meter
8 after I got my bill in July to see what the reading was,
9 but I did check it -- Jimmy Frederick, who works for
10 Avondale Water & Sewer come up and asked me, "You been
11 using more than normal rates of water?" I said, "No."
12 I've had a garden out at my grandmother's for years, and
13 I would water -- they've got -- this letter I got says
14 they seen the hose running out to my garden. Well, I
15 was watering my garden, but, you know, for maybe an
16 hour, and shut it off, and the sprinkler. The highest
17 amount I ever used on the bill was like, I think, 8,000
18 gallons, and this is after we knew we was going to have
19 a rate increase, so I watered the garden like two or
20 three days for like an hour, and, you know, I might've
21 used more than I thought I did. I mean, I'm not
22 standing here lying, but I don't know -- you know,
23 15,000 gallons of water is a lot of water for one person
24 to use.

25 And another thing I didn't mention, my dad lived at

1 166 Senn Street. They -- like -- I had another
2 complaint where I sent you all about them not reading
3 water meters. They would -- I got this thing you all
4 sent me on here, and some months it would say zero
5 usage, so does that mean they're going to read the
6 meters that month? I mean, some months the bill would
7 be like \$5, which, I mean, we didn't mind that, but on
8 these zero months, does that mean they did not take a
9 meter reading? Is that against the law, or is there a
10 law that they're supposed to read the meter?

11 And due to the subsequent rate increase, my dad and
12 my neighbor, Mr. Jack Ghinner have had to take their
13 irrigation meters out because they can't afford the rate
14 increase.

15 **Q** So you're not aware of what the last month's is?

16 **A** As I said --

17 **Q** I was just trying to see --

18 **A** Yeah, the --

19 **Q** -- your usage rate.

20 **A** -- one in July was 3,000 gallons. I've got it right
21 here on this paper you all sent.

22 **Q** Was how much?

23 **A** 3,000.

24 **Q** Okay.

25 **A** To me, I mean, the meter says -- what the meter says, I

1 use it, but what I'm trying to say, I think they weren't
2 reading the meters and then they come around and updated
3 it, and then they got me, you know, good.

4 **Q** Did you have new meters installed?

5 **A** Yeah, we've got new meters now. I monitor them now, and
6 I'm going to check my water bill the next one I get,
7 so --

8 **Q** Thank you.

9 **A** The next bill. Thank you.

10 **COMMISSIONER MITCHELL:** Thank you, sir.
11 That's all I have.

12 [Applause]

13 **CHAIRMAN FLEMING:** Thank you, Mr. Harris.

14 **MR. DONG:** Mr. Harris, did you file your
15 complaints with the Office of Regulatory Staff? Is
16 that who you sent it to?

17 **WITNESS:** Yeah. Yeah.

18 **MR. DONG:** Okay. I just wanted to ask.

19 **WITNESS:** I got the letter in the mail, right
20 there.

21 **VOICE:** Avondale sent you that.

22 **WITNESS:** Well -- no, it come from the Public
23 Service Commission. It's got your all's address on
24 the envelope. If you'd like to have a copy, you
25 can have a copy of it.

1 **VOICE:** That's the company's.

2 **CHAIRMAN FLEMING:** If you --

3 **WITNESS:** Well, I guess it is from Avondale.
4 I think she's right.

5 **VOICE:** It's a copy.

6 **WITNESS:** But it's from the Public Service
7 Commission. The envelope come from the Public
8 Service Commission, and it does have a -- it does
9 have a copy of Avondale's reason on it.

10 **CHAIRMAN FLEMING:** Would you mind bringing
11 that forward for us to see?

12 **WITNESS:** [Indicating.] I think a lot of the
13 customers on Avondale might have received the same
14 thing.

15 **VOICE:** I got one, too.

16 **CHAIRMAN FLEMING:** Okay. It's from the Office
17 of -- the way -- under Act 175, all complaints go
18 to the Office of Regulatory Staff. They don't come
19 to us. We don't hear about the complaints, because
20 we're under the judicial code, and so we were just
21 trying to clarify that. But this is -- it says the
22 Office of Regulatory Staff. But would you like to
23 enter this into the evidence in the case?

24 **WITNESS:** You can.

25 **CHAIRMAN FLEMING:** All right. And if you

1 would like this copy -- we can make a copy of that
2 so that you can have the original, if you'd like.

3 **WITNESS:** Just hold onto it, then.

4 **CHAIRMAN FLEMING:** All right. Well, that will
5 be entered into the evidence of the case as Hearing
6 Exhibit No. 3.

7 [WHEREUPON, Hearing Exhibit No. 3 was
8 marked and received in evidence.]

9 [WHEREUPON, the witness stood aside.]

10 **MR. DONG:** Kevin Hatley?

11 **MR. HATLEY:** That's fine. It's already been
12 said. Thank you.

13 **MR. DONG:** Thank you, sir.

14 **CHAIRMAN FLEMING:** And what I'd like to say is
15 if what you wanted to say has already been
16 presented and -- just as you said, and I believe
17 Mr. Napier earlier -- it still gets recorded that
18 you were down as a witness but that what you had
19 said had already been repeated. So I just wanted
20 you to know that it certainly goes on the record.

21 **MR. DONG:** Jeffrey Toole?

22 [Witness sworn/affirmed]

23 >

24 >

25 >

1 THEREUPON came,

2 J E F F R E Y T O O L E ,

3 who, having been first duly sworn/affirmed, testified as
4 follows:

5 WITNESS: My name is Jeffrey Toole. I live at
6 36 Green Street in Vaucluse.

7 And guess what I was really wanting to say
8 tonight was, about three weeks ago I had to do some
9 plumbing work at my house. Went out to cut the
10 meter off. I had to take four inches of dirt off
11 the top of it before I could even find the shutoff.
12 I work with a lot of ex-Avondale maintenance
13 people. They're telling me -- and they worked on
14 the water system -- they're telling me that there's
15 taps that's not metered. Several, numerous taps
16 that don't go through the meter. Another guy that
17 did not work for Avondale but lives on Canal
18 Street, told me that when they changed his meter
19 and went to check it, they turned his faucet on in
20 his yard, and the meter didn't move. They turned
21 on an unmetered faucet.

22 We were told by Valley Public Service that if
23 Avondale would consume the water loss, that they
24 would be more than happy to take us over, but they
25 couldn't find the water loss. They wanted VPSA to

1 take the water loss -- to find the water loss. And
2 water loss is coming from unmetered water spigots.
3 They're watering their lawns, their gardens, their
4 neighbors'. They're telling their wives, "If you
5 need to use any water outside, go to this unmetered
6 faucet outside."

7 And I worked for the water system in the '80s.
8 I worked at the water plant, worked there for ten
9 years. There's transite pipe up Trolley Line Road
10 that is asbestos. I know this from me working
11 there and from the maintenance guys that worked on
12 it after Avondale took over. They have to replace
13 it with stainless steel sleeves. They have to
14 repair it with stainless steel sleeves. They can't
15 get the transite no more because of the asbestos in
16 it. Vaucluse, who's to say what's in there. When
17 I replumbed my house, I had a half-inch pipe with a
18 one-eighth hole in it, through the middle of it.

19 That's what I was getting water through.
20 That's the shape our water system is in. The
21 Commission has agreed to let Avondale have this 700
22 percent increase. Avondale has not done anything
23 for us through the years. Even when they was
24 running the mills, they did not -- at the end of
25 Avondale's reign in Graniteville, they did no

1 maintenance on the water system unless it was
2 broke. There was no preventive maintenance.

3 The 700 percent increase, we can't take. Me
4 and my wife work full-time. We can't afford it. A
5 lot of people here can't afford it. And we're
6 paying for unmetered water, we're paying for
7 maintenance that wasn't done that needed to be
8 done. And in the '80s when Graniteville Company
9 had it, I know the maintenance was done, because I
10 worked at the plant. I was a licensed water plant
11 operator.

12 I guess that's all I wanted to say. Thank you
13 for coming tonight. We appreciate it. We couldn't
14 come -- me and my wife couldn't have come to the
15 hearing Tuesday. We both work. So thank you for
16 coming tonight.

17 **CHAIRMAN FLEMING:** Thank you. Mr. Elliott?

18 **MR. ELLIOTT:** We appreciate Mr. Toole coming
19 out tonight, but no questions.

20 **CHAIRMAN FLEMING:** All right. Mr. Nelson.

21 **MR. NELSON:** No questions from ORS, Madam
22 Chair.

23 **CHAIRMAN FLEMING:** All right. Commissioners.

24 [No response]

25 **CHAIRMAN FLEMING:** All right. You may step

1 down. Thank you for being here.

2 **WITNESS:** Thank you.

3 [Applause]

4 [WHEREUPON, the witness stood aside.]

5 **MR. DONG:** Wade Boggott?

6 **MR. BOGGOTT:** Mine's already been covered. It
7 was about the \$14 for the service. I just thought
8 it wasn't quite right, a little unfair.

9 **MR. DONG:** Thank you, sir. Duane Strother?

10 [Witness sworn/affirmed]

11 THEREUPON came,

12 **D U A N E S T R O T H E R ,**

13 who, having been first duly sworn/affirmed, testified as
14 follows:

15 **WITNESS:** Duane Strother. I live on 311
16 Laurel Drive, Graniteville.

17 I'm retired, on limited income. And I do not
18 think it's fair or right for the tremendous
19 increase that's been given to Avondale for our
20 water and the sewer. I also agree with Mr. Bryant
21 and Mr. Boggott, the tremendous amount we've been
22 charged for a meter, and both from the irrigation
23 system and on the house meter, and the tremendous
24 increase in the water and the sewage rate.

25 I think that anyone, whatever the commodity is

1 that they're using, if we see this tremendous
2 increase that they've been charged for something,
3 there would be an uproar about that. And I would
4 like to ask the Commission to please reconsider
5 these rates that have been granted, because I do
6 not think it's a reasonable amount for the
7 customers on the system, especially, as has already
8 been stated, the elderly people and the senior
9 citizens and the people that are on a fixed income.
10 Thank you.

11 **CHAIRMAN FLEMING:** Thank you. Mr. Elliott?

12 **MR. ELLIOTT:** I appreciate Mr. Strother coming
13 out tonight, but I have no questions.

14 **CHAIRMAN FLEMING:** Mr. Nelson?

15 **MR. NELSON:** No questions, Madam Chair.

16 **CHAIRMAN FLEMING:** Commissioners?

17 [No response]

18 **CHAIRMAN FLEMING:** All right. Thank you, very
19 much, for being here.

20 [Applause]

21 [WHEREUPON, the witness stood aside.]

22 **MR. DONG:** Joel Randall?

23 [Witness sworn/affirmed]

24 >

25 >

1 THEREUPON came,

2 J O E L F . R A N D E L L ,

3 who, having been first duly sworn/affirmed, testified as
4 follows:

5 WITNESS: Good afternoon. My name is Joel
6 Randall. I live at 2-B Gregg Street, here in
7 Graniteville. To start off with, I'd like to say,
8 Madam Chairman, I appreciate you taking your time
9 to come, as well as the other members.

10 We here in Graniteville have a problem, as I
11 know you are aware of that. I hoped in the
12 beginning that maybe you took the time to come and
13 ride through the communities that's being affected.
14 I don't know if that's the case. Can you tell me?
15 Could anybody on the Commission tell me?

16 CHAIRMAN FLEMING: We're not able to --

17 WITNESS: Okay.

18 CHAIRMAN FLEMING: -- answer questions from --

19 WITNESS: Okay. I've got three points that
20 I'd like to bring out. One is, I've sat in the
21 same seats that you sit in. I've dealt with a lot
22 of tough decisions in the past, on committees or --
23 other committees that I've sat on, that I've had to
24 take the same situation you're in and make a tough
25 decision. In the process of doing that, I would

1 hope that you would have taken the time to take
2 three things into consideration -- the state of the
3 economy that we are in, the area that's being
4 affected; the amount of unemployment in our country
5 at this time, 9.4 or 10 percent; and the number of
6 senior citizens that lives in the area that's being
7 affected -- and out of those three, come to a
8 decision whether or not, in your heart and in your
9 mind, can you justify a 700 percent rate increase
10 on those people.

11 I think in our society a lot of times that
12 we're being snowed by corporate people. I could
13 sit down and probably come up with justification
14 for me a pay increase on my job. I could justify
15 that. Now I'm sure whoever has approached you,
16 Avondale, they have put their facts together, their
17 numbers, they've crunched everything, they've laid
18 everything out. That's their job; they get paid to
19 do that, to justify to you that this is fair and
20 just. But today I will stand here and I'll say to
21 you that most anybody in this audience can do that,
22 but being right is not right.

23 These people here cannot afford this. This is
24 a hardship and a burden being placed on these
25 people that they cannot pay, and it's just not

1 fair. I would like for you to take into
2 consideration when you make your final decision,
3 could you afford a 700 percent increase? Avondale
4 -- Mr. Johnson made a comment when he was up here
5 about someone told him, a Graniteville Company
6 employee. I'm sure Wayne probably meant an
7 Avondale employee, because Graniteville Company has
8 been gone for 10, 12, 15 years. Avondale came in
9 here, and Avondale took this community and tore it
10 apart --

11 **VOICE:** Amen.

12 **WITNESS:** -- with no consideration for the
13 people here. It was all about the almighty dollar.
14 The train accident, they also -- it was never
15 publicized in the paper what the settlement was,
16 but I'm sure it was a great settlement. With the
17 textile industry from overseas killing us and
18 putting us out of business to start with, it was a
19 golden opportunity to walk away on the plus side.

20 Now they have a water system that they have no
21 need for, and some of the prior meetings I
22 understand they said we was losing something like 2
23 million gallons of water, that they didn't know
24 where it's going. Avondale, during their time
25 here, what have they done to upgrade this system to

1 have cut down on the cost? Zero. The only thing
2 they've done, if they had a break in the line, they
3 would go out, and we would see them on the streets
4 repairing it, everybody's water cut off. Then
5 you've got to -- you can't drink your water for two
6 or three days. Everybody's got to have a filter on
7 their system. But yet they want top dollar for
8 something that's not even drinkable.

9 I think -- this is my opinion. I have no
10 proof because Avondale holds all the cards. They
11 have all the records. We have nothing. We
12 testify, put our hand on the Bible and testify that
13 what we say is the truth and the whole truth, but
14 we have no proof of what we are saying, other than
15 -- let me back up. April, May, and June water
16 bills. Were they estimated? Ask Avondale, were
17 our water bills estimated during some of those
18 months. And if so, then they take what they've
19 estimated, that may have been wrong, and now in
20 July you're charged at the 700 percent rate
21 increase for what should have been charged at the
22 other rate for those other three months. Did that
23 happen? Avondale knows. We don't. We have no way
24 of knowing.

25 All we ask as citizens here, treat us fair,

1 just like you'd be wanting to be treated if it was
2 you. Don't let corporate pressure sway you. Do
3 what's in your heart and do what's right toward
4 another human being. That's all we ask. And when
5 you make your decision, I pray that you will keep
6 that in mind. And when you lay down that night,
7 you will feel good about yourself. Thank you.

8 **CHAIRMAN FLEMING:** Thank you.

9 [Applause]

10 **CHAIRMAN FLEMING:** Mr. Elliott.

11 **MR. ELLIOTT:** Thanks to Mr. Randall for being
12 here, but I have no questions. Thank you.

13 **CHAIRMAN FLEMING:** Mr. Nelson?

14 **MR. NELSON:** No questions from ORS.

15 **WITNESS:** Can I ask one question?

16 **CHAIRMAN FLEMING:** Well, we are not able to
17 answer questions.

18 **WITNESS:** I know, but I've had to swear under
19 oath that what I said is true. Could he swear
20 under oath that they didn't estimate my bills?

21 [Applause]

22 **CHAIRMAN FLEMING:** After the meeting this
23 evening, you could -- well, you could certainly ask
24 Mr. Elliott, but you can also ask your questions of
25 the Office of Regulatory Staff. They are the ones

1 who speak for the people, and represent --

2 **WITNESS:** Like I said, again, I --

3 **CHAIRMAN FLEMING:** -- the case to us, from --

4 **WITNESS:** -- appreciate you taking your time,
5 Madam --

6 **CHAIRMAN FLEMING:** -- that perspective.

7 **WITNESS:** -- Chairman, and these other
8 Commissioners here, for coming here to us. In our
9 other meetings, the bill in July, I agree with
10 these other people. I got mine in July, in my
11 bill. I was totally shocked. Rumors in the past
12 of, yeah, rates are going up, we don't have a
13 problem with a rate increase. That's not a
14 problem, as long as it's fair and as long as it's
15 just. That's what any human being would ask for.
16 Fair and just. So the money is not the issue, it's
17 the fairness is the issue. Thank you, ma'am.

18 **CHAIRMAN FLEMING:** Thank you.

19 **COMMISSIONER WHITFIELD:** Madam Chair.

20 [Applause]

21 **MR. DONG:** Does Commissioner Whitfield have a
22 question?

23 **CHAIRMAN FLEMING:** Yes, he does.

24 **COMMISSIONER WHITFIELD:** Yes.

25 >

EXAMINATION**BY COMMISSIONER WHITFIELD:**

Q Mr. Randall, could I get you to share with us what your bill was in July?

A Yes, my bill went from \$18 to \$180.

Q \$18 in June, to \$180?

A Yes, sir.

Q And then what was it after the \$180?

A It was \$90 this past month. Like I said, like everyone else that -- we had no problem with a rate increase. And we will cut back on, whatever it takes. I mean, we're trying to survive in this economy just like you are. You know, that's not the issue. But we want to be -- 700 percent is beyond reason. Totally beyond reason. And with the state of the economy, with the number of people unemployed, with the number of senior citizens -- my father lived on \$400 a month Social Security. If he had a water bill like Mike Hunt, he's in the hole \$314 before he even pays his next one.

I mean, these people need help. That's all we're asking. Be fair and be reasonable. We don't mind an increase. But Avondale has done nothing in the past to upgrade the system -- that's why Breezy Hill possibly didn't want it. VPSA had a lot of questions. If I had a system that was worth something, that was maintained,

1 and I knew I could take the system and I could turn it
2 into something that would profit my business, I would
3 jump on it. But when you've got other systems that
4 throws up question marks because someone let the system
5 go down to zero --

6 **VOICE:** Amen.

7 **WITNESS:** -- we got a problem there. They did
8 not do their part. The notice was not given out.
9 I heard the same rumor, just rumor, that the
10 notices were held and they were directed do not put
11 it in the bill until July. Why? Are you being
12 upfront with me? All I ask as a man, come to me
13 face-to-face. Be upfront with me and I'll be
14 upfront with you, and I'll tell you the honest to
15 God truth, and that's all I expect out of you. But
16 don't blindsides me and don't try to blow smoke and
17 expect me to think I'm getting a deal out of this,
18 because I'm not. I know the truth. These people
19 have not been good tenants of this community from
20 day one.

21 **VOICE:** Amen.

22 **VOICE:** Amen.

23 **WITNESS:** They come in here -- and I've said
24 all this. Besides that, please take into
25 consideration -- don't be blindsided, don't be

1 snowballed by big corporations. You represent the
2 people, and --

3 **VOICE:** Not the corporations.

4 **WITNESS:** -- we come to you because it's in
5 your hands. Any more questions?

6 **CHAIRMAN FLEMING:** Any more questions?

7 [No response]

8 **CHAIRMAN FLEMING:** Thank you.

9 **WITNESS:** Thank you.

10 [Applause]

11 [WHEREUPON, the witness stood aside.]

12 **MR. DONG:** Ansel Gunter?

13 **MR. GUNTER:** My question's already been
14 answered.

15 **MR. DONG:** Thank you, sir. Albert Gosnell?

16 **MR. GOSNELL:** My question has been answered
17 about the lack of prior notification of the rate
18 schedule and when it was to begin. That's been
19 covered by previous witnesses. I just question the
20 ethics of Avondale, that's all.

21 **MR. DONG:** Thank you sir. Thomas Scott?

22 [Witness sworn/affirmed]

23 >

24 >

25 >

1 THEREUPON came,

2 T H O M A S S C O T T ,

3 who, having been first duly sworn/affirmed, testified as
4 follows:

5 WITNESS: Thomas Scott 414 Laurel Drive,
6 Graniteville.

7 I kind of -- Cheryl kind of stole my thunder,
8 and a couple of others. I had a bunch of numbers
9 and things with surrounding water companies and all
10 that. I'm not going to sit up here and beat a dead
11 horse. I've been kind of busy all day, like you
12 folks. Kind of hungry. Left a Blue Top hamburger
13 half on the table, and I'm ready to get to it.

14 [Laughter]

15 WITNESS: I'm going to kind of go a little
16 different perspective, instead of the number deal
17 and all that. I'm going to kind of open the door
18 to my house and let you come in, and kind of look
19 at it that way. I did do a little study on the
20 Public Service Commission, and I know you all know
21 what your jobs are, but that's to protect us, the
22 citizens, and the man in business, to find a
23 balance and try to do both.

24 But come in my house. You know, I'm an
25 everyday working fellow, trying to make a living.

1 I've got a grown daughter, two grandsons, and a
2 wife who live with me, because my daughter lost her
3 job and hasn't been able to find one. So we kind
4 of struggle. I mean, we ain't poor by no means,
5 but we find it kind of hard. But you come into my
6 house, you've got a two-year-old grandson, you've
7 got a six-year-old, a grown daughter, wife. And
8 you all know what going number one in the toilet
9 is; I know that's back in your school days. We're
10 kind of at the point now you tell your children and
11 your grown-ups in the house do number one in the
12 toilet but don't flush it till it starts stinking.

13 [Laughter]

14 **WITNESS:** So it's pretty serious. I mean, you
15 got to change the way we're doing things right now.
16 You go get in the shower and you tell them turn the
17 water on, wet yourself, turn it off. Put the soap
18 on, soap yourself up, then turn the water back on
19 and rinse it off. That's a heck of a way to live,
20 ain't it? Because somebody -- I don't know how
21 many millions they made, have or may not have --
22 wants a little more. Well, I'm just trying to make
23 a living, that's all I'm doing.

24 So try to look out for me when you make your
25 decision. And like Joel said earlier, do what's

1 in your heart. 700 percent, that's a little tough.
2 I don't mind paying a little more -- people said I
3 had cheap water for a long time. Well,
4 Graniteville is all I've ever known. Lived here
5 all my life, been on Graniteville water since I was
6 a grown adult paying one. I didn't know I had
7 cheap water. I sure appreciate it. I want it
8 back.

9 [Laughter]

10 **WITNESS:** I come in here -- you know, when
11 this thing first started, I was madder than a wet
12 hen, but I can't afford the water to get wet now,
13 so --

14 [Laughter]

15 **WITNESS:** But seriously, I've checked with
16 several places, and your average is 15-20,000
17 gallons, \$35, \$45, \$50. That's reasonable. Mine?
18 \$200. That's not reasonable.

19 The only other thing I guess I can really say
20 is talking about the problems, and I do want that
21 on record. I called DHEC myself three different
22 times because of low water pressure. Just like the
23 other lady, I got tired of running around the
24 shower trying to find the water, so I just got out
25 and didn't take a shower.

1 But low pressure means contamination. A
2 pressurized system can keep contaminants out of the
3 water. And anytime you experience a drop in
4 pressure that low, which DHEC has these records of
5 how low it was. I don't have them. They come with
6 this disk that measures the pressure, and they
7 would call and let me know, "Yes, you've got low
8 pressure, lower than it should be." So I know
9 every time that pressure is low, contamination is
10 getting in. And that's when we get our little
11 letters, "Don't drink the water until you boil," or
12 give it three days, or whatever.

13 So I'm kind of in the same boat. We've got a
14 system here that these people didn't put money
15 into. They made money off of the mills and
16 whatever else, let the water system go, and now
17 they want it all back at one time. So, you know,
18 without just keep running around in circles, just
19 as the Public Service Commission, keep me, the
20 citizen, in mind When you make a decision. Thank
21 you.

22 **CHAIRMAN FLEMING:** Thank you.

23 [Applause]

24 **MR. ELLIOTT:** I thank Mr. Scott for coming
25 out, but I have no questions.

1 **MR. NELSON:** No questions from ORS, Madam
2 Chair.

3 **CHAIRMAN FLEMING:** All right. Commissioners.

4 [No response]

5 **EXAMINATION**

6 **BY CHAIRMAN FLEMING:**

7 **Q** I wanted to ask about the water pressure. We heard
8 earlier that that had been relieved. Has --

9 **A** Hopefully, yes, ma'am, since --

10 **Q** -- that been fixed in your area, as well?

11 **A** Yes, ma'am, since there's been so much emphasis put on
12 the water, and attention paid to it, they ain't letting
13 the pressure get low. I appreciate that part of it; the
14 pressure's been up ever since.

15 **Q** All right.

16 **A** So that is one improvement.

17 **CHAIRMAN FLEMING:** Thank you.

18 **VOICE:** Just running more water through.

19 [WHEREUPON, the witness stood aside.]

20 **MR. DONG:** Lisa Stanley?

21 [Witness sworn/affirmed]

22 THEREUPON came,

23 **L I S A S T A N L E Y ,**

24 who, having been first duly sworn/affirmed, testified as
25 follows:

1 **WITNESS:** Lisa Stanley, 735 Leitner Street.

2 And I want to say I'm not really a good
3 professional speaker. I thought this was more like
4 show-and-tell.

5 Okay, this [indicating] is what's going on in
6 my yard. The only thing that's green is the weeds,
7 and they're not even good. I know in July -- I
8 live alone -- I got an \$80 water bill for one
9 person. I think -- I don't know anywhere on God's
10 green earth that a 700 percent increase is fair or
11 justifiable. I just can't afford it. So if I go
12 to sell my house, I mean, I have to tell somebody
13 that on top of the mortgage that they're going to
14 have to pay, they're going to have to pay an extra
15 \$100 just for a water bill? That's not right.
16 It's just not right. Thank you.

17 **CHAIRMAN FLEMING:** Thank you, Ms. Stanley.
18 Just a minute and let's see if there are any
19 questions.

20 **WITNESS:** Okay.

21 **MR. ELLIOTT:** I don't have any --

22 **CHAIRMAN FLEMING:** Mr. Elliott?

23 **MR. ELLIOTT:** -- questions for Ms. Stanley.

24 Thank you. I appreciate Ms. Stanley --

25 **WITNESS:** I have a dead oak tree now, too, but

1 I couldn't bring that.

2 **CHAIRMAN FLEMING:** Okay. Mr. Nelson?

3 **MR. NELSON:** No questions, Madam Chair.

4 **CHAIRMAN FLEMING:** She's in a hurry to get
5 away.

6 **WITNESS:** I am.

7 **CHAIRMAN FLEMING:** Commissioners?

8 [No response]

9 **CHAIRMAN FLEMING:** All right. Thank you, very
10 much, for being here.

11 **WITNESS:** Thank you.

12 [Applause]

13 [WHEREUPON, the witness stood aside.]

14 **MR. DONG:** Marsha Faith Phillips?

15 **MS. PHILLIPS:** It's already been said.

16 **MR. DONG:** Thank you, ma'am. Alton Everson?

17

18 [Witness sworn/affirmed]

19 THEREUPON came,

20 **A L T O N E V E R S O N ,**

21 who, having been first duly sworn/affirmed, testified as
22 follows:

23 **WITNESS:** My name is Alton Everson, and I live
24 at 504 Trolley Line Road, Graniteville.

25 When you all were here before -- and again, I

1 want to voice what the others have said; we
2 appreciate you coming down to see us, because with
3 our schedules, obviously most of us would not have
4 been able to go to Columbia. But when I came and
5 stood in front of this group when you all came down
6 before, I mentioned the fact that there had been a
7 number of times in the past eight or ten years that
8 I've lived in Graniteville, that the sewer in front
9 of my house had overflowed. And I think I remarked
10 how green -- there's a patch about probably eight-
11 by-eight, ten-by-ten, that grows faster than my
12 other grass, so therefore my wife wants the grass
13 cut faster. Whenever it was over, one of the
14 ladies that worked with DHEC came and spoke to me
15 and said she would investigate it and get back to
16 me. And on her behalf, yes, I did get a phone call
17 back. She left a message on my phone that told me
18 that she had checked into it, and everything was
19 reported and everything had been looked into and
20 there were no problems.

21 Now, I have always thought, maybe erroneously,
22 but I thought that the trucks that you see that
23 have "Haz-Mat" on the side of them deal with
24 hazardous materials. Now, there's been two times
25 since that meeting -- matter of fact, two times

1 since we appeared in court in Aiken -- that large
2 white trucks have pulled into my yard and parked,
3 that have "Haz-Mat" on the side of them. And to
4 this day, not one person has knocked on my door or
5 sent me a letter to calm my fear of what in the
6 world was going on in my yard. They didn't do it.
7 You know, where I was raised at down in south
8 Georgia, you know, there was a thing called common
9 courtesy when you pull into somebody's yard,
10 especially if you've got something on the side of
11 your vehicle that's going to alarm somebody or has
12 the potential to alarm someone. And I would really
13 appreciate finding out what was going on.

14 It has been talked about, and I think that
15 everyone is well aware of the fact that we had the
16 train wreck, and I think that if there were a way
17 -- and this is just my thoughts. I'm a simple
18 south Georgia country boy, but I was raised by my
19 parents and my grandparents to have a little bit of
20 common sense. And if there was a way that the
21 figures could be gotten that could show how much
22 money that this Avondale company did get from the
23 train wreck and then conveniently decided to leave
24 town, especially after they had been here as long
25 as they had, and everybody has testified -- I can't

1 prove it; I don't know for fact, but I've had
2 people talk about the fact that they didn't do
3 improvements. I know they didn't do improvements
4 in my yard. They would show up when there was a
5 leak and they would mess around with it. They
6 would sprinkle some lime on the ground and then
7 they would leave -- well, one time I saw them
8 sprinkle lime on it; the rest of them, they just
9 were there and then left. Never has it been dug up
10 and a new line been put in, or anything, so I'm
11 assuming that whatever has been causing the problem
12 over and over and over is still there, because
13 nothing has been replaced.

14 And I found it real interesting, when we went
15 to court -- and don't have a copy of all of the
16 testimony, but if I remember it correctly -- I
17 think I can pretty well sum it up -- one of the
18 attorneys that works for Avondale made the
19 statement that they had a -- and I think he worded
20 it -- commitment and obligation to maintain and
21 improve the system.

22 **VOICE:** He did.

23 **WITNESS:** And if they have that, did -- have
24 they just gotten that obligation? Or was it there
25 from the day that they set foot in our community?

1 And if they had that obligation, what's the
2 repercussions for them not fulfilling that
3 obligation? Except now, it's been stated they want
4 to get out of this water business. They want to
5 get out of it. Well, why not file bankruptcy if
6 it's not losing that much money and walk away from
7 it and force the State to put it into somebody
8 else's hands? Because they obviously did not do
9 what their own attorney says they were obligated to
10 do, but they want to get approved all these
11 enormous rates.

12 And when I grew up, you didn't have to pay for
13 something that you didn't get. When I got my July
14 bill for \$311, I knew that I had filled up a new
15 swimming pool that I had bought my wife, and it
16 held 12,500 gallons. I knew that. So I took the
17 bill down and talked to the lady down at the
18 Avondale office, and asked her to please check with
19 her boss, because even with knowing that I had used
20 the 12,500 gallons there, I didn't think I had used
21 a total of 29,000 gallons that month, for just me
22 and my wife. And I think she told me that a normal
23 household for a couple of people usually use 4-
24 5,000 a month as a norm. So she called her boss.
25 She called me back and told me that she was told

1 that that was just -- that was just too bad, that I
2 still had to pay the sewer for that amount of
3 water, even though it didn't go in the sewer, and I
4 had the swimming pool standing there to prove it.
5 But that is just too tough.

6 And I just want to again voice the fact that I
7 don't think it's fair for Avondale to simply try to
8 take and get all this money, by whatever means they
9 can legally -- or call it legally -- and walk away
10 with all the funds in their pocket, and again,
11 leave the people in this community hurting, just
12 like they have been for a while now. I don't think
13 it's fair. And the only thing I ask you all to do
14 is, just as it has been voiced, when you get up and
15 you look in the mirror, please consider the fact
16 that we do need fairness. We need honesty from
17 Avondale. And we don't need to continue to be hurt
18 like we are. Thank you.

19 **CHAIRMAN FLEMING:** Thank you, Mr. Everson.
20 Mr. Elliott?

21 **MR. ELLIOTT:** I appreciate Mr. Everson coming
22 back out again tonight and being with us, but I
23 have no questions to ask.

24 **CHAIRMAN FLEMING:** All right. Mr. Nelson?

25 **MR. NELSON:** No questions from ORS, Madam

1 Chair.

2 **CHAIRMAN FLEMING:** All right. Commissioners.

3 [No response]

4 **CHAIRMAN FLEMING:** All right. You may be
5 excused.

6 **WITNESS:** Thank you.

7 [Applause]

8 [WHEREUPON, the witness stood aside.]

9 **MR. DONG:** Is there anyone who wishes to
10 present testimony, who has not been called? Yes,
11 sir.

12 [Witness sworn/affirmed]

13 THEREUPON came,

14 **C H I P P R I N C E ,**

15 who, having been first duly sworn/affirmed, testified as
16 follows:

17 **WITNESS:** My name is Chip Prince. I live at
18 508 Laurel Drive.

19 A lot of people said tonight what's fair, what
20 kind of price increase is fair. My opinion is 600
21 percent is not fair. 300 percent is not fair. 100
22 percent is not fair. If you look at anything that
23 has gone up -- if you compare it to gas, gas
24 hasn't, and if it did go up 50 percent, it would be
25 a major crisis throughout the whole United States.

1 So the thing about it is, if anything else went up
2 50 percent it's more than likely that you wouldn't
3 go back and buy it the next day. So to give you a
4 basis on what truly is fair, it can be a fair
5 increase over a period of time, but in my opinion
6 50 percent is about the maximum which is fair. And
7 I believe that most people could say, "Yeah, I
8 could truly pay 50 percent more than what mine was
9 before the 700 percent increase." So, it's price
10 gouging. 700 percent is truly price gouging. And
11 that's all. That's my opinion. That's all I have
12 to say.

13 **CHAIRMAN FLEMING:** Thank you. Mr. Elliott?

14 **MR. ELLIOTT:** Appreciate the witness being
15 here. I have no questions.

16 **CHAIRMAN FLEMING:** Mr. Nelson.

17 **MR. NELSON:** No questions from ORS, Madam
18 Chair.

19 **CHAIRMAN FLEMING:** Commissioners.

20 [No response]

21 **CHAIRMAN FLEMING:** All right. Thank you, very
22 much.

23 [Applause]

24 [WHEREUPON, the witness stood aside.]

25 **MR. DONG:** Do the legislators have anything to

1 add?

2 **CHAIRMAN FLEMING:** Wait, I think we have --

3 **MR. DONG:** I'm sorry. Yes, ma'am.

4 **MS. HAYES:** I wanted to say something.

5 **MR. DONG:** Okay.

6 [Witness sworn/affirmed]

7 THEREUPON came,

8 **A L L I S O N H A Y E S ,**

9 who, having been first duly sworn/affirmed, testified as
10 follows:

11 **WITNESS:** My name is Allison Hayes. I live at
12 606 Trolley Line Road in the Gregg Park
13 subdivision.

14 I had no intention of speaking and I'm not
15 going to address, you know, a lot of things. But
16 Madam Commissioner, you've asked a lot of questions
17 about the water pressure, and I want to tell you
18 about the water pressure at my house.

19 I'm not a native of Graniteville. I married a
20 native of Graniteville. And I have never had such
21 dismal water pressure in my life. We don't water
22 our grass, because if I water the grass, I can't
23 run the kitchen sink and wash the dishes. I can't
24 flush the toilet and wash a load of clothes. I
25 can't run the dishwasher and the washing machine at

1 the same time. I have to do one thing at a time.
2 We've replaced all the plumbing in our house.
3 Doesn't help. We've replaced all the piping with
4 PVC. Doesn't help. We've called Avondale many,
5 many times. They tell us it's not a problem. You
6 can turn it on full blast and flush the toilet, and
7 it comes out a trickle. Nothing they can do.

8 So that's an answer to your water pressure.
9 We live at the very end of Trolley Line Road; we're
10 the last house. I don't know if that has anything
11 to do with it, or not. But you've asked several
12 people the question about water pressure, and I
13 wanted you to know about my experience. I've lived
14 in cities all over. My father was in the military.
15 I have never had to do one thing at a time. I'm
16 not kidding when I tell you I can't water my lawn
17 and wash dishes. We have a swimming pool, and it
18 took us a week, a solid week, 24 hours a day for
19 seven days, to fill that pool. That shouldn't
20 happen. The swimming pool people came back four
21 times. They said, "I've never seen it take this
22 long to fill a pool." It took seven days, 24
23 hours, to fill that pool. Shouldn't take that
24 long. We gave up our showers, with our little
25 running around in there, so that we could get that

1 pool filled and the guys could leave and not have
2 to come back.

3 So that's -- you know, I think Avondale made
4 some bad business decisions, and I think that we're
5 suffering for it. I'm not opposed to having a
6 water increase, a rate increase. I just think that
7 the amount is astronomical. I think we have been
8 fortunate to have very low rates, but we've also
9 had very poor service, so we've gotten what we've
10 paid for.

11 **VOICE:** Amen.

12 **VOICE:** Amen.

13 **WITNESS:** And that's all I have to say.

14 **CHAIRMAN FLEMING:** All right. Thank you. Mr.
15 Elliott?

16 **MR. ELLIOTT:** No questions. I thank Ms. Hayes
17 for coming.

18 **CHAIRMAN FLEMING:** Mr. Nelson.

19 **MR. NELSON:** No questions, Madam Chair. Thank
20 you.

21 **CHAIRMAN FLEMING:** Commissioners.

22 **COMMISSIONER MITCHELL:** I have one.

23 **CHAIRMAN FLEMING:** All right. Commissioner
24 Mitchell.

25 <

EXAMINATION**BY COMMISSIONER MITCHELL:**

Q Ma'am, and you called the company and got no response.

I believe you said they even came out; is that correct?

A They put a pump on our filter at one -- on our meter at one point, to give us boosted pressure, but it didn't help.

Q That didn't help?

A No.

Q And the only one time has the company tried to help you?

A We gave up calling.

Q You called a number of other times?

A We called several times, and finally we just gave up calling because they kept telling us there was nothing -- it was my imagination.

Q Are the neighbors beside you experiencing the same problems you are?

A Yes.

Q All on that street?

A Yes.

Q Thank you.

A You can't -- you cannot run the washing machine and the kitchen sink at the same time. You have to -- I wash clothes at night after we go to bed. I can't fill the tub and wash clothes at the same time. I have to do one

1 thing at a time that requires water.

2 **Q** Do you have any record of the time they came out, that
3 you could verify that the company did come out?

4 **A** Not off the top of my head, no.

5 **Q** Okay.

6 **A** I'm sure they have it in my file, because I've called
7 and was very adamant with them.

8 **Q** Do you recall -- because I'd like to get a report from
9 somebody as to why you can't --

10 **A** I don't know, off the top of my head.

11 **Q** You don't remember any date that you might have called?

12 **A** I'd have to ask my husband. I believe he's the one that
13 called up there. But he called several times, and they
14 came out several times, and they did put some kind of
15 pump or booster or something on the system at our house,
16 but they told us that it was -- we have an older home,
17 and they told us it was the galvanized pipe in our house
18 that was causing it, and we've replumbed the entire
19 house and it's now all PVC.

20 **Q** Even out to the meter?

21 **A** Not out to the meter. Not to the meter, but in the
22 house.

23 **Q** Okay.

24 **A** That's the next step. But we can't -- we can't run --
25 like I said, we cannot do more than one thing, and I

1 don't care what the pipes are, that should not be that
2 way. And again, like the fire hydrants and things like
3 that, we can't use those either.

4 **Q** Could you give your address one more time, so we can --

5 **A** 606 Trolley Line Road. We're the very last house. We
6 don't have the sewer service; we're on a septic system.
7 We're the very, very last house.

8 **COMMISSIONER MITCHELL:** Thank you.

9 **CHAIRMAN FLEMING:** Thank you.

10 [Applause]

11 [WHEREUPON, the witness stood aside.]

12 **MR. DONG:** Yes, ma'am?

13 [Witness sworn/affirmed]

14 THEREUPON came,

15 **R A C H E L W I L H I T E ,**

16 who, having been first duly sworn/affirmed, testified as
17 follows:

18 **WITNESS:** My name is Rachel Wilhite. I live
19 at 500 Trolley Line Road in the Gregg Park
20 subdivision.

21 I'm not going to go over all of the things
22 that have already been said. I just had a couple
23 of things that I really wanted to bring to your
24 attention. First of all, I'll tell you that
25 speaking of bills, our June bill was \$35.65. When

1 we received our July bill, it was \$392.65. My
2 husband and I both are retired, fixed incomes. We
3 can't afford this kind of bill every month. It has
4 dropped for the month of August to \$129 because,
5 like the others, we've adjusted our use of water.

6 But the other things that I had that I wanted
7 to bring to your attention is -- and I made copies
8 of the bills for you all to see -- we turn our
9 sprinkler system off the end of September. I've
10 got bills for November, December, and January. And
11 I believe it was my November -- yes, November 24th
12 bill -- they show a current usage of 32,000 gallons
13 of water. All of our bills -- the December bill
14 was 15,000 gallons, the January bill was 15,000
15 gallons. Our sprinkler system was off, no water
16 was being used outside, no leakage.

17 The next thing that I wanted to bring to your
18 attention is the new meters were installed -- our
19 particular meter was installed on September 4th. I
20 did not have an opportunity to go out and look at
21 the meter. I wanted to see what the new meters
22 look like, and I didn't get a chance to go out
23 until the following Tuesday, which was September
24 8th. My yard meter was working, because my husband
25 had used 20 4- to 5-gallon buckets of water out

1 there, so we knew it was working. The house meter
2 was zero. Zeroes all the way across. We went and
3 checked the meter just before we left; it's still
4 all zeroes. And immediately after I noticed that
5 on September 8th, I called the water office and
6 told them, our home meter is not working. And it's
7 still showing all zeroes. And the answer I got
8 was, "I will report this to the maintenance man and
9 he will come and check your meter," and to this
10 date it has not been checked. Now, I don't know
11 what kind of bill we're going to get for this
12 month, but I'm going to be very upset if it is
13 estimated, because I reported it and they should
14 have come and checked --

15 **VOICE:** Amen.

16 **WITNESS:** -- it. And that's the new meters.
17 And that's the only thing that I have to say. Like
18 I say, I'm not going to go back over all the other
19 things. I had some other things, but they've
20 already been covered.

21 **CHAIRMAN FLEMING:** Thank you.

22 **WITNESS:** And if you want these bills, I've
23 got copies.

24 **CHAIRMAN FLEMING:** In just a minute, we'll get
25 to that. Mr. Elliott?

1 **MR. ELLIOTT:** I appreciate Ms. Wilhite being
2 here tonight, but I have no questions.

3 **CHAIRMAN FLEMING:** Mr. Nelson.

4 **MR. NELSON:** No questions, Madam Chair. Thank
5 you.

6 **EXAMINATION**

7 **BY CHAIRMAN FLEMING:**

8 **Q** And I just wanted ask you, so, you will be getting a
9 bill for September?

10 **A** Uh-huh.

11 **Q** And that will arrive when?

12 **A** They usually come -- most of these are --

13 **VOICE:** On Saturday, because they read the
14 meters.

15 **WITNESS:** Yeah. October was the 29th;
16 November was the 24th; December was the 23rd;
17 January was the 29th. So somewhere right around --
18 so we should be getting our bill most any time.

19 **CHAIRMAN FLEMING:** All right. And you have
20 copies of these bills?

21 **WITNESS:** I do.

22 **CHAIRMAN FLEMING:** If you would like to enter
23 those into the evidence of the case, and what I'd
24 like to ask, if you could do a late-filed exhibit
25 before the hearing, of the most recent bill that

1 you get. So that will be entered in as a composite
2 exhibit, will be entered into the evidence of the
3 case as Hearing Exhibit 4, and we will also add to
4 that exhibit your most recent bill, with your meter
5 -- you said that your meter is not registering, and
6 you have reported it.

7 **WITNESS:** I have.

8 **MR. DONG:** Ms. Wilhite, could you spell your
9 name for me, please, your last name?

10 **WITNESS:** W-i-l-h-i-t-e.

11 **MR. DONG:** Thank you, ma'am. I didn't know
12 whether it was one 'l' or two.

13 **WITNESS:** One.

14 **CHAIRMAN FLEMING:** Are there any questions
15 from the Commission?

16 [No response]

17 **CHAIRMAN FLEMING:** All right. Thank you.

18 **WITNESS:** You just want me to send these in?

19 **CHAIRMAN FLEMING:** No, you have those --

20 **WITNESS:** Yes.

21 **CHAIRMAN FLEMING:** -- but the most recent one
22 that will be coming momentarily, I would imagine.

23 [WHEREUPON, Hearing Exhibit No. 4 was
24 marked and received in evidence.]

25 [Applause]

1 [WHEREUPON, the witness stood aside.]

2 MR. DONG: Are there any further witnesses who
3 wish to be heard? Yes, sir.

4 [Witness sworn/affirmed]

5 THEREUPON came,

6 M A R I O C O R D O N ,

7 who, having been first duly sworn/affirmed, testified as
8 follows:

9 WITNESS: Yes, my name is Mario Cordon. I
10 live at 130 Trolley Line Road. And I just wanted
11 to reiterate the -- one of the speakers talked
12 about the pressure. If I flush my toilet, I have
13 to wait till it finishes filling up before I can
14 put water in my tea kettle to make tea. And to
15 conserve, I count three seconds when I put the
16 water in the tea kettle, so I don't put too much,
17 which comes out to just about a cup.

18 And if it's mellow -- if it's yellow, I let it
19 mellow; if it's brown, I flush it down. I don't
20 even know if my outside water works. I never used
21 it. I've only -- I'm sorry. I've only lived in
22 Graniteville for six months. I'm a new citizen of
23 Graniteville. And I would ask this committee, or
24 challenge anyone to come up with a precedent for a
25 700 percent rate increase on a utility. And that's

1 all I have to say.

2 **CHAIRMAN FLEMING:** Thank you. Mr. Elliott?

3 **MR. ELLIOTT:** Oh, I'm sorry. No questions.

4 Thank you, sir, for coming out.

5 **CHAIRMAN FLEMING:** Mr. Nelson.

6 **MR. NELSON:** No questions, Madam Chair.

7 **CHAIRMAN FLEMING:** All right. Commissioners?

8 [No response]

9 **CHAIRMAN FLEMING:** All right. Thank you.

10 [Applause]

11 [WHEREUPON, the witness stood aside.]

12 **MR. DONG:** Are there any further public
13 witnesses? Yes, ma'am.

14 [Witness sworn/affirmed]

15 THEREUPON came,

16 **T E R E S A R U D D E R ,**

17 who, having been first duly sworn/affirmed, testified as
18 follows:

19 **WITNESS:** My name is Teresa Rudder. I live at
20 16 Gregg Street.

21 And I just wanted to say last year about
22 October, we had a water leak in the house next-
23 door, at 15 Gregg Street. Every time I'd pay my
24 water bill, I'd send a note, I'd call, leave a
25 message. Never got a response. The water leaked

1 until -- from October last year until July this
2 year. The only reason that it was fixed was
3 because a big tree fell on our truck, and the
4 County had to come out and look because the tree
5 was on the County. They're the only ones that got
6 the water fixed. If that had not been done, the
7 water would still be running. It ran for eight
8 months. Nobody did anything about it.

9 Our water bill last February was no usage. No
10 gallons. April, no gallons. I guess we didn't
11 take a bath or wash clothes or anything for two
12 months. Then it goes up to using 2,000 gallons;
13 that was in May and June. July, we used 9,000
14 gallons. So I guess we would've took a lot of
15 baths then. And I was just wondering how can that
16 happen, go from using 2,000 -- using zero gallons
17 to using 9,000 gallons. And I don't understand.

18 **CHAIRMAN FLEMING:** All right.

19 **WITNESS:** That's all I've got to say.

20 **CHAIRMAN FLEMING:** Thank you. Mr. Elliott.

21 **MR. ELLIOTT:** No questions of Ms. Rudder. I
22 appreciate her coming out.

23 **CHAIRMAN FLEMING:** Mr. Nelson?

24 **MR. NELSON:** No questions, Madam Chair.

25 **CHAIRMAN FLEMING:** Ms. Rudder, would you like

1 to enter those bills into --

2 **WITNESS:** I would.

3 **CHAIRMAN FLEMING:** Or copies of those bills?

4 **WITNESS:** I don't have any copies with me, but
5 I would like to enter them.

6 **CHAIRMAN FLEMING:** All right. We can make
7 copies and send the originals back to you.

8 **WITNESS:** Okay.

9 **CHAIRMAN FLEMING:** All right.

10 **MR. DONG:** Ms. Rudder, could you spell your
11 last name for us, please?

12 **WITNESS:** R-u-d-d-e-r.

13 **MR. DONG:** Thank you.

14 **CHAIRMAN FLEMING:** And that will be entered
15 into the evidence of the case as composite Hearing
16 Exhibit No. 5.

17 [WHEREUPON, Hearing Exhibit No. 5 was
18 marked and received in evidence.]

19 **CHAIRMAN FLEMING:** Okay. Commissioners, are
20 there any questions?

21 [No response]

22 **CHAIRMAN FLEMING:** If not, you may --

23 **WITNESS:** Thank you.

24 [Applause]

25 [WHEREUPON, the witness stood aside.]

1 **MR. DONG:** Any others? Yes, sir.

2 [Witness sworn/affirmed]

3 THEREUPON came,

4 **T R E Y E S H A R P E ,**

5 who, having been first duly sworn/affirmed, testified as
6 follows:

7 **WITNESS:** My name is Treye Sharpe. I live at
8 305 Laurel Drive, Graniteville.

9 You know, I, like everyone else -- not to beat
10 a dead horse, but I'd like to thank you all for
11 coming out from Columbia, coming out here to hear
12 our concerns tonight.

13 I've lived in Graniteville my whole life and I
14 absolutely love Graniteville. This is a great
15 community. Graniteville/Vaucluse community's a
16 great community to bring your family up.
17 Graniteville Company has fed my family -- or, fed
18 my family for years, and then Avondale came in, and
19 of course, things changed for all us. We could all
20 agree with that. But sometimes I get some down-
21 time at work and I do a little research on you
22 people, and a few other things. And this water
23 situation, I've done some research on it. And is
24 it true that Avondale has moved to dismiss the
25 reconsideration of this right here?

1 **CHAIRMAN FLEMING:** We're not able to answer
2 questions, but Mr. --

3 **MR. DONG:** I think I can answer that there is
4 a pending motion to dismiss, yes.

5 **WITNESS:** But this committee has not yet ruled
6 on that.

7 **MR. DONG:** No.

8 **WITNESS:** Okay. You know, myself, I want you
9 folks to know, and I think I can speak on behalf of
10 some people here, that, you know, I want the Public
11 Service Commission to know that this would be a
12 slap in the face to this community, that you will
13 regret doing this if you grant them that. You need
14 to think about this a little bit, what's getting
15 ready to happen. Thank you.

16 **MR. DONG:** Could you spell your name for the
17 record, please, sir?

18 **WITNESS:** Treye, T-r-e-y-e; last name is
19 Sharpe, S-h-a-r-p-e.

20 **MR. DONG:** And, I'm sorry, what was your
21 address?

22 **WITNESS:** 305 Laurel Drive.

23 **MR. DONG:** Thank you.

24 **WITNESS:** Thank you.

25 **CHAIRMAN FLEMING:** Mr. Elliott?

1 **MR. ELLIOTT:** No questions of Mr. Sharpe. I
2 appreciate his coming out.

3 **CHAIRMAN FLEMING:** Mr. Nelson.

4 **MR. NELSON:** No questions, Madam Chair.

5 **CHAIRMAN FLEMING:** All right. Commissioners.

6 [No response]

7 **CHAIRMAN FLEMING:** All right.

8 **WITNESS:** Thank you.

9 **CHAIRMAN FLEMING:** Thank you.

10 [Applause]

11 [WHEREUPON, the witness stood aside.]

12 **CHAIRMAN FLEMING:** I'd like a follow-up
13 question to Ms. Rudder. Oh, there you are.

14 [Witness recalled]

15 THEREUPON came,

16 **T E R E S A R U D D E R,**
17 who, having been previously duly sworn/affirmed, testified
18 further as follows:

19 **EXAMINATION**

20 **BY CHAIRMAN FLEMING:**

21 **Q** Did they put a new meter at your house?

22 **A** [Nodding head.]

23 **Q** And when was it installed?

24 **A** I think it was the Sunday before August 24th.

25 **CHAIRMAN FLEMING:** Okay, thank you.

1 [WHEREUPON, the witness stood aside.]

2 MR. DONG: Anyone further?

3 CHAIRMAN FLEMING: This lady.

4 MR. DONG: Yes, ma'am.

5 [Witness sworn/affirmed]

6 THEREUPON came,

7 S H I R L E Y K N E E C E ,

8 who, having been first duly sworn/affirmed, testified as
9 follows:

10 WITNESS: Shirley Kneece. 16 Green Street,
11 Vaucluse, South Carolina.

12 The first statement I'd like to say: I wish
13 you all had done this sometime besides Wednesday
14 night, because a lot of people at church could not
15 come. We skipped church so we could be here
16 tonight. But we appreciate you all coming. And
17 another thing, this week they had to have people
18 out to clean our sewage out. We have a big manhole
19 about six foot from our back door, and the sewage
20 was backed up in it over halfway high. We live up
21 on top of the hill, very first house on Green
22 Street. It goes straight down the hill. And the
23 sewage had backed up over halfway in that manhole.
24 They worked on it several hours to get it out.

25 And another thing, my husband and I both are

1 on total disability, and we were -- been on total
2 disability since 1985, but now we're on Social
3 Security because we're over 65, both of us. And
4 living with a low income like we do, with a lot of
5 doctor bills, hospital bills, and all, we cannot
6 pay these water bills. Over 80 percent of what
7 lives in Vacluse are on Social Security. I know
8 that for a fact. 80 percent of Vacluse is on
9 Social Security. They're all senior citizens.
10 They can't pay these bills.

11 I'd just like for you all to think loud to
12 yourselves when you go to bed tonight, if you were
13 in our situation what would you do. Would you pay
14 the bill, the water bill, or do without your
15 medicine? Do without food, just to pay your water
16 bill? We go from one paycheck to the next. And
17 usually -- like, we get paid on the 3rd -- my
18 husband and I both haven't had any money to do
19 anything for seven years, like vacations or
20 whatever? We haven't had one. We don't go out of
21 Aiken County, very little. Mostly Vacluse to
22 church, doctor's office, and back. And expect us
23 to pay a water bill like this?

24 I know they don't read the water bills --
25 water meters half the time, because sometimes three

1 or four months in a row, mine would be exact the
2 same penny, on the penny, \$11.88. \$11.88. Then
3 August come up here: \$91, and less gallons of
4 water. The next one was \$69. Just like people
5 saying they can't -- in the wintertime, don't get
6 in the shower and let somebody flush the commode,
7 because you'll freeze to death --

8 [Laughter]

9 **VOICE:** Amen.

10 **WITNESS:** -- and that's a fact. And don't you
11 go in there and take a shower -- somebody in the
12 house taking a shower, I can't cook, because I
13 can't get no water to wash my hands when I'm
14 cooking. I can't wash the dishes, as other people
15 has said, while someone's taking a shower. We had
16 a shower put in years back, because my husband and
17 I are not able to get in a tub, and it takes less
18 water to take a shower. Other people -- I'm
19 repeating what they're saying, I know. A lot of
20 people, they get in the tub, in the shower, get
21 wet, lather up, and then hope you've got enough
22 water when you get lathered up that you don't dry
23 before you can rinse off again. That's just the
24 way it's been, for several years.

25 They came by the house one day a couple of

1 weeks ago and checked our water pressure, and they
2 said it was normal. But they had some kind of pump
3 on the water system that it would be normal for a
4 little bit. You can be in the shower, you got
5 plenty of water right now, and then you got
6 nothing. They just so happened to check it when
7 there was plenty of water. They didn't stick
8 around to check it when the pressure done dropped.
9 But every time they put a booster on that water so
10 we could have some pressure, it would blow out a
11 line somewhere. Then we'd have to call them to
12 come put a line in, or fix it -- they didn't put
13 them in, they just mended the spot. And in several
14 spots I know in Vacluse, they mended the same
15 spots over and over and over. They just fix where
16 the hole is; they don't check nothing else.

17 I thank you all for coming tonight, and I know
18 I got a big mouth. I'll let you do.

19 **CHAIRMAN FLEMING:** Thank you.

20 **MR. DONG:** Ms. Kneece, could you spell your
21 last name for me, please?

22 **WITNESS:** Like a knee, K-n-e-e-c-e.

23 **MR. DONG:** I got it right. Thank you.

24 **WITNESS:** Shirley is spelled like Shirley
25 Temple.

1 [Laughter]

2 MR. DONG: Yes, ma'am.

3 CHAIRMAN FLEMING: Mr. Elliott.

4 MR. ELLIOTT: Appreciate Ms. Kneece coming
5 out, but I have no questions.

6 CHAIRMAN FLEMING: Mr. Nelson.

7 MR. NELSON: No questions, Madam Chair.

8 CHAIRMAN FLEMING: Commissioners.

9 [No response]

10 CHAIRMAN FLEMING: All right. Thank you, Ms.
11 Kneece.

12 [Applause]

13 [WHEREUPON, the witness stood aside.]

14 MR. DONG: Does anyone else wish to be heard?

15 [No response]

16 CHAIRMAN FLEMING: All right. And I was going
17 to ask if the County Council Chairman would like to
18 say anything?

19 [Witness sworn/affirmed]

20 THEREUPON came,

21 R O N N I E Y O U N G ,

22 who, having been first duly sworn/affirmed, testified as
23 follows:

24 WITNESS: Ronnie Young. I live at 220
25 Deerwood Drive, in Clearwater, North Augusta, South

1 Carolina.

2 I'm kind of in a unique situation. I worked
3 for Avondale Mills 28 years -- /Graniteville
4 Company -- as human resource manager. So I'm very
5 familiar with the workings of the company and so
6 forth -- to this attorney.

7 I will say this: When Avondale became
8 interested in acquiring Graniteville Company, they
9 did an extensive due-diligence on that company.
10 Well, the water and sewer system is a part of that
11 company. They took it all, they bought it all.
12 And when you've done that, you're obligated to
13 service it all.

14 Subsequently, following that acquisition by
15 Avondale, we had the CEO speak at our economic
16 development annual meeting, and, quote, he said,
17 "We paid \$255 million for Graniteville and we got
18 it cheap." That's all well and good, but they
19 should have put some of that money in upgrading
20 these systems, and apparently they just have
21 neglected the entire time. And I hate to say that,
22 because I worked for those folks. But hearing the
23 testimony of these folks and the things they've
24 been through through the years, I would be remiss
25 if I didn't state those facts. They've been good

1 to me, and I know that, but maybe they've been a
2 little slack in the community in what they should
3 have done and the responsibility, I feel like, they
4 should have given to the community. It was not
5 Graniteville Company anymore; it was Avondale. I
6 understand that. But the community aspect went by
7 the wayside. And that's probably enough I need to
8 say about that.

9 I also want to say I appreciate the fact that
10 you folks came down to listen to these folks and
11 their concerns. I've heard it over and over and
12 over again. And the lady's right, it probably is
13 80 percent retired folks on Social Security, and
14 they'll have to make a choice whether they're going
15 to pay the water bill or let something else go. So
16 listen to them, take their concerns at heart, and
17 make your decision, and be fair to them. And
18 that's been mentioned over and over again tonight.
19 Just be fair, that's all they ask. Thank you.

20 **CHAIRMAN FLEMING:** Thank you, Chairman Young.

21 [Applause]

22 **CHAIRMAN FLEMING:** Mr. Elliott?

23 **MR. ELLIOTT:** I appreciate your coming out
24 tonight, but I have no questions.

25 **CHAIRMAN FLEMING:** All right. Mr. Nelson.

1 **MR. NELSON:** No questions, Madam Chair.

2 **CHAIRMAN FLEMING:** Commissioners?

3 [No response]

4 **CHAIRMAN FLEMING:** Chairman Young, we
5 appreciate your coming out, and --

6 **WITNESS:** Thank you.

7 **CHAIRMAN FLEMING:** -- the remarks you made.

8 [Applause]

9 [WHEREUPON, the witness stood aside.]

10 **CHAIRMAN FLEMING:** Senator Massey, I believe
11 you wanted to say something.

12 I don't think we need to put him under oath.
13 We know he'll tell us the truth anyway.

14 **SEN. MASSEY:** I'm happy to do it. I don't
15 want to break the rules.

16 Madam Chairman, once again I just want to
17 express my appreciation. I mean, I know you all --
18 this Commission has been very involved in this case
19 probably more so than any other cases you've ever
20 had, and from the delegation I want to express our
21 appreciation for your willingness to come down here
22 a second time. I think it's important -- you know,
23 if you recall, the first time you were down here in
24 May, I think we had 22 people show up. We've got a
25 few more than 22 tonight, and I think that's good

1 from the community's perspective, and also I think
2 it benefits the Commission that you know that there
3 are some legitimate concerns out there, that I
4 think even those of us on the delegation expressed
5 that night in May that we were concerned when only
6 22 people showed up. We were concerned if everyone
7 got notice. So I think we see tonight that there
8 were a whole lot more than 22 people concerned
9 about it, so I appreciate you making the second
10 trip down here.

11 I really want to make three points, really
12 just in summary of much of what I've heard tonight.
13 And I'm glad I did defer until the end, because I
14 wanted to hear what the other folks had to say, and
15 also, quite frankly, they said it more eloquently
16 than I could say it, because as I said in the
17 beginning, they live it every day. They feel it
18 deep inside.

19 The first thing is, and this has been
20 mentioned by the last few speakers, but I think the
21 Commission does need to consider the economic
22 impact on this community from whatever rate
23 increase there is. And as the last couple of folks
24 have indicated, many of these people, over a
25 majority most likely, are living on Social

1 Security. And any of us who ever watch the news or
2 read the papers or read the Internet have probably
3 heard -- and those folks who are on Social
4 Security; everyone knows -- the federal government
5 has already indicated there's not going to be a
6 cost-of-living increase. So they are limited to
7 what they've been getting, and with the way the
8 finances have been in the nation, we don't really
9 know when another increase will come for those
10 folks, and everything else is going up. And I
11 think that is something for the Commission to
12 consider, in the public interest, as to the ability
13 to pay.

14 Now I want to say at the beginning -- and I'm
15 glad to have heard many people here tonight say
16 that they believe that Avondale deserves an
17 increase in their rates, because they understand
18 they've been paying artificially low rates for a
19 period of time. I couldn't stand up here and tell
20 you that I don't think they deserve any increase.
21 I know -- having read the law, I understand your
22 position that you can't make them operate at a
23 loss. I understand that. I want this company to
24 be a viable company. I want the system to be
25 viable. All right? But a 700 percent increase,

1 and in many respects -- I had a couple of people
2 step out there and tell me, "700 percent? It's a
3 whole lot more than 700." It was more than 700 for
4 many of these folks.

5 I think there is a question as to whether that
6 increase was reasonable in light of what Avondale
7 needs to operate. And I would submit that it is
8 not. Now I'm going to defer to the Office of
9 Regulatory Staff and to their research abilities.
10 Mr. Scott and his staff have done a wonderful job
11 providing information, and I'm going to defer to
12 them on providing the information about what might
13 be reasonable in the circumstances, because they
14 have the research and they have better access to
15 all that information. But I do think -- and this
16 is really just to reiterate what many other people
17 have said, but I think that's something that this
18 Commission does need to consider, as to whether, in
19 light of everything, that that is a legitimate
20 amount.

21 My second point is, I would ask that whatever
22 increase this Commission grants -- and I think this
23 Commission has to grant an increase. I think it
24 has to be a reasonable increase -- but whatever
25 increase this Commission grants, I would ask that

1 it be phased in over a period of time, as opposed
2 to just hitting these folks all at one time. We
3 heard from a lot of people here tonight that one of
4 their biggest problems was this thing came all at
5 one time. And I'm glad Commissioner Mitchell and
6 Commissioner Whitfield followed up on some
7 questions early on as to when these folks actually
8 did get notice that the bills were going up,
9 because -- and I think you finally got the answer
10 you were looking for -- but ladies and gentlemen,
11 these people found out their bills were going up
12 when they got their bill.

13 **VOICE:** Amen.

14 **VOICE:** Amen.

15 **SEN. MASSEY:** Now, they'd been given notice
16 about Avondale's application to increase rates.
17 They'd been given notice about hearings, the
18 hearing that we had in May. They've been given
19 notice of those things, so there was certainly the
20 thought out there that the rates may go up. The
21 first notice these folks had that this Commission
22 had granted Avondale's rate increase request was
23 when they got their bill on July 31st.

24 **VOICE:** Amen.

25 **SEN. MASSEY:** They didn't know it before then.

1 And when they got that huge increase all at one
2 time -- well, you've heard what kind of impact that
3 had. So I would ask, and I think it's certainly
4 within your power and your authority to do this, in
5 going back and reevaluating, whatever increase you
6 grant, phase it in over a period of time. You can
7 do that, even if we're talking about just a few
8 months. Not hitting these folks all at one time is
9 not going to have much of an impact on Avondale,
10 but it would have a significant impact on the
11 people paying the bills.

12 Thirdly, and this, I think, is something very
13 significant. This is -- you've heard some talk
14 tonight -- and I'm glad this came up, because this
15 is one of the things that has been most concerning
16 to me, is, you heard from some people who said they
17 can't wash dishes and turn the sink on at the same
18 time. You heard a gentleman say that he can't
19 flush his toilet and fill up a tea kettle at the
20 same time. There are significant problems with
21 this water and sewer system. I am convinced that
22 whatever increase you give Avondale, that unless
23 you put requirements on them to fix their system,
24 they're not going to do anything about it.

25 **VOICE:** Amen.

1 **SEN. MASSEY:** They will continue to do what
2 they have always done --

3 **VOICE:** Nothing.

4 **SEN. MASSEY:** -- and that is, when DHEC gets
5 involved -- when we have a sewer spill, and I call
6 DHEC or one of the representatives calls DHEC or
7 one of the individuals calls DHEC, DHEC will come
8 out there; Avondale will come and they will put a
9 band-aid on it, and that's all they're going to do.
10 They will do the very minimum to get by.

11 Now, if this Commission grants an increase
12 that allows them to make a profit, they're going to
13 pocket that profit. They're not going to put
14 anything back into that system unless you require
15 them to.

16 **VOICE:** Amen.

17 **SEN. MASSEY:** Now, I know there's been a lot
18 of talk about possibly that -- of this system being
19 transferred to a special-purpose district, and I
20 can promise you that the legislative delegation is
21 working like crazy in order to get that
22 accomplished. But it has not been accomplished,
23 yet. We've made progress, but there is certainly
24 no guarantee that it's going to happen. All right?
25 And I think it's important for the people behind me

1 to understand that. I think we've made some
2 significant steps in the past couple of weeks, but
3 it's not done yet, and it could fall apart at any
4 minute. It's a very sensitive agreement. So there
5 is the possibility that, if that agreement falls
6 apart, that Avondale would continue to be the
7 operator of this system. All right?

8 I think that it is within this Commission's
9 authority, and I think you seriously need to
10 consider that whatever rate increase you grant
11 Avondale, you should put conditions on it that they
12 have to meet certain benchmarks and certain
13 guidelines for updating that system. You need to
14 make them fix that system if you're going to give
15 them a rate increase. All right? And I think you
16 could have the Office of Regulatory Staff oversee
17 that. Make them meet certain benchmarks. Don't
18 just -- as we've done on this June order, don't
19 just give them a rate increase and expect or hope
20 that they're going to do the right thing. All
21 right?

22 It is within your authority, and I think it is
23 your responsibility and obligation to make sure
24 that they fix this system. If they're going to
25 continue to operate it, gentlemen, lady, you've got

1 to make sure that they do it right.

2 So I would ask you especially to consider
3 those three points: the impact on the community
4 with the reasonableness of the rates, a phase-in of
5 whatever rate increase you get, and I think
6 honestly, most importantly -- because I think what
7 you've heard tonight is folks are willing to pay
8 for the service that they get. All right? One
9 lady even mentioned that she's been getting what
10 she paid for; she's had low rates because she's not
11 been getting a whole lot out of it.

12 **VOICE:** Amen.

13 **SEN. MASSEY:** All right? One of the most
14 appalling things about the whole situation is
15 they're getting a rate increase and they're not
16 going to do anything about the problems in the
17 lines. So I think the most important thing is that
18 whatever rate increase you give them, you have to
19 ensure that there are benchmarks that they have to
20 meet to fix the system. And if you have Office of
21 Regulatory Staff or whoever else go out there, if
22 there are engineers that are looking at this
23 system, they're going to tell you that you can't
24 fix this with a band-aid. All right? It's not
25 going to be just a couple of modifications here and

1 there. The truth is, this system's going to have
2 to be replaced. And so I would ask you especially
3 to consider that third point, because that's got to
4 be done for the future viability of the system, and
5 for the safety, quite frankly, of the people who
6 use it. Thank you all, very much.

7 [Applause]

8 **CHAIRMAN FLEMING:** Did either of the other
9 representatives -- would you like to have anything
10 else to say?

11 **REP. YOUNG:** I'm going to wait till Tuesday,
12 if that's okay.

13 **CHAIRMAN FLEMING:** Well, that's fine. Well,
14 you -- all right. Representative Smith, you --

15 **REP. SMITH:** [Shaking head.]

16 **CHAIRMAN FLEMING:** All right. Thank you, very
17 much. I want to, on behalf of the Commission, to
18 thank each and every one of you for being here
19 tonight, and for giving very informative
20 information. And I also want to tell you, I know
21 you feel very strongly about these issues, but yet
22 you were very courteous in the way in which you
23 expressed these feelings and in giving us this
24 information, and I, for one, really respect that
25 very much. So I want to thank you. I know it's a

1 great community, I can tell that from the way you
2 presented yourselves to us tonight.

3 I would encourage -- I know a lot of you are
4 working during the day. I would encourage as many
5 of you who possibly can to come to the hearing. I
6 think it's very important for you to be there, to
7 hear the information that we receive, because
8 that's the information and, of course, hearing what
9 you had to say tonight, that we have, to make the
10 decisions that come forth. And of course, we have
11 to follow the law that's been given us, as to how
12 we can move forward on things.

13 So, once again though, I do want to thank you
14 very much, each and every one of you. Really, I
15 have enjoyed hearing what you had to say, and the
16 information that you have given us has been very
17 informative. So, October 6, 10:30, Columbia. An
18 hour and a half away, at most. Hope to see you --
19 or an hour. Hope to see many of you there, if you
20 can possibly attend.

21 And if there are any questions that you have
22 tonight, please direct them to either Mr. Elliott
23 or to Mr. Nelson and Mr. Morgan and other members
24 of the Office of Regulatory Staff. Thank you, very
25 much. And this hearing is now adjourned.

1 [Witness(es) excused]

2 [WHEREUPON, at 8:25 p.m., the hearing in
3 the above-entitled matter was adjourned.]

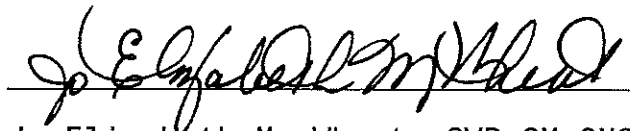
4
5 [WHEREUPON, Late-filed Hearing Exhibit
6 No. 1 shall be marked and received in
7 evidence upon receipt thereof.]

8 [WHEREUPON, Hearing Exhibit No. 4 shall
9 be amended to include additional
10 documentation requested, upon receipt
11 thereof.]

C E R T I F I C A T E

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had and testimony adduced in a public hearing held in the above-captioned matter before the Public Service Commission of South Carolina.

Given under my hand, this the 5th day of October, 2009.



Jo Elizabeth M. Wheat, CVR-CM-GNSC

ATTEST:



Charles L. A. Terreni
CHIEF CLERK/ADMINISTRATOR